



Legislative  
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# FISCAL NOTE

<b>Drafting Number:</b>	LLS 20-0828	<b>Date:</b>	February 4, 2020
<b>Prime Sponsors:</b>	Rep. McKean; Valdez D. Sen. Tate	<b>Bill Status:</b>	House SVMA
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**Bill Topic:** SALES TAX STATUTE MODIFICATIONS TO ADDRESS DEFECTS

**Summary of Fiscal Impact:** **No fiscal impact.** This bill makes corrections to sales tax statutes regarding penalties for late filings of sales and use tax, and repeals a section of statute related to a sales tax rate reduction for certain vehicles. It is assessed as having no fiscal impact.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** This fiscal note represents the introduced bill, which is recommended by the Statutory Revision Committee.

## Summary of Legislation

This bill updates sales and use tax statutes to address defects and anachronisms. It updates:

- the penalty for sales tax license holders if they remit the incorrect amount of tax owed so that it conforms with the way the Department of Revenue enforces this section of statute, which imposes interest on the amount of taxes due;
- the penalty for use tax license holders to conform with that of sales tax license holders; and
- the temporary, partial sales tax rate reduction for a new or used commercial truck, truck tractor, tractor, semitrailer, or other vehicle used in combination with the aforementioned, because it is preempted by a full rate reduction for low-emitting vehicles in another section of statute.

## Assessment of No Fiscal Impact.

This bill codifies the Department of Revenue's current practice and is thus assessed as having no fiscal impact.

## Effective Date

The bill takes effect August 5, 2020, if the General Assembly adjourns on May 6, 2020, as scheduled, and no referendum petition is filed.

**State and Local Government Contacts**

Personnel

Revenue