

**JBC STAFF FISCAL ANALYSIS  
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING AN INCREASE IN THE AMOUNT OF SALES TAX REVENUE THAT A RETAILER MAY RETAIN TO COVER THE RETAILER'S EXPENSE IN COLLECTING AND REMITTING THE TAX, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Sens. Kolker and Rodriguez  
Reps. McLachlan and Snyder

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Date Prepared: May 2, 2022

**Appropriation Items of Note**

**Appropriation Already Added to Bill, Amendment in Packet**

**General Fund/TABOR Impact**

**Fiscal Impact of Bill as Amended to Date**

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 01/24/22.

<b>XXX</b>	<b>No Change:</b> Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	<b>Update:</b> Fiscal impact has changed due to <i>new information or technical issues</i>
	<b>Update:</b> Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	<b>Non-Concurrence:</b> JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The Senate Appropriations Committee Report (03/11/22) adopted on second reading in the Senate (03/11/22) includes appropriations consistent with the fiscal impact identified in the Fiscal Note.

**Amendments in This Packet for Consideration by Appropriations Committee**

<b>Amendment</b>	<b>Description</b>
L.002	Bill Sponsor amendment - does not change fiscal impact

**Current Appropriations Clause in Bill**

The bill includes an appropriation clause that appropriates a total of \$61,980 General Fund to the Department of Revenue for FY 2022-23.

**Description of Amendments in This Packet**

**L.002** Bill Sponsor amendment **L.002** (attached) makes technical adjustments to the bill, which

incentivize taxpayers to submit payment of taxes and fees electronically by waiving the ACH transaction fee .Legislative Council Staff and JBC Staff agree this amendment does not have an impact on expenditures, but will result in a \$300,000 further reduction of General Fund revenue per year starting in FY 2022-23.

### **Points to Consider**

#### *General Fund Impact*

The Joint Budget Committee has proposed a budget package for FY 2022-23 based on the March 2022 Legislative Council Staff revenue forecast. The budget package includes two set-asides:

- \$40.0 million General Fund for bills that create ongoing obligations; and
- \$900.0 million General Fund for bills that create one-time obligations in FY 2022-23.

The \$40.0 million *appropriations* set-aside includes an additional \$6.0 million General Fund to provide a 15.0 percent General Fund reserve for those appropriations. The \$900.0 million *obligations* set-aside does not include an additional amount for a General Fund reserve and, assumes, but does not require, that obligations be addressed through statutory transfers rather than appropriations. Therefore *appropriations* from the \$900.0 million set-aside require an additional 15.0 percent to maintain the statutory General Fund reserve.

This bill creates an ongoing obligation and requires a General Fund appropriation of \$61,980 for FY 2022-23, reducing the \$40.0 million set aside by the same amount.

#### *TABOR/ Excess State Revenues Impact*

The March 2022 Legislative Council Staff (LCS) revenue forecast projects a TABOR surplus liability of \$1.6 billion for FY 2022-23 and \$622.6 million for FY 2023-24. These sums must be refunded to taxpayers out of the General Fund. This bill is estimated to decrease General Fund revenues by \$2.5 million in FY 2022-23 and by \$2.8 million in FY 2023-24, which will result in a decrease in the TABOR surplus liability of an equal amount.

If **L.002** is adopted, This bill is estimated to decrease General Fund revenues by \$2.8 million in FY 2022-23 and by \$3.1 million in FY 2023-24, which will result in a decrease in the TABOR surplus liability of an equal amount.