

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE ADJUSTMENT OF CERTAIN TAX EXPENDITURES.

Prime Sponsors: Reps. Weissman and Frizell
Sens. Hansen and Kolker

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Phone: 303-866-4386
Date Prepared: April 23, 2024

Appropriation Items of Note

Appropriation Not Required, No 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 01/31/24.

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

The Finance Committee Report (02/12/24) includes amendments to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendments do not change the fiscal impact of the bill.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
L.005	Bill Sponsor amendment - does not change appropriation or fiscal impact
L.006	Bill Sponsor amendment - does not change appropriation or fiscal impact
L.007	Bill Sponsor amendment - changes fiscal impact <i>not</i> appropriation.
L.008	Bill Sponsor amendment - does not change appropriation or fiscal impact

Current Appropriations Clause in Bill

The bill neither requires nor contains an appropriation clause for FY 2024-25.

Description of Amendments in This Packet

- L.005** Bill Sponsor amendment **L.005** (attached) extends repeal of child care center investment tax credit for persons operating child care facilities by one year, from January 1, 2025 to January 1, 2026. Legislative Council Staff and JBC Staff agree that this amendment does not change the fiscal impact of the bill.
- L.006** Bill Sponsor amendment **L.006** (attached) extends by one year the statutory repealer from December 31, 2032 to December 31, 2033. Legislative Council Staff and JBC Staff agree that this amendment does not change the fiscal impact of the bill.
- L.007** Bill Sponsor amendment **L.007** (attached) brings closed paneled residential structures into the manufactured and tiny home tax exemption. Legislative Council Staff and JBC Staff agree that this amendment changes the fiscal impact of the bill, but does not require an appropriation.
- L.008** Bill Sponsor amendment **L.008** (attached) extends repeal of child care center investment tax credit for businesses operating licensed child care facilities by one year, from January 1, 2025 to January 1, 2026. Legislative Council Staff and JBC Staff agree that this amendment does not change the fiscal impact of the bill.

Points to Consider*TABOR/ Excess State Revenues Impact*

The March 2024 Office of State Planning and Budgeting (OSPB) revenue forecast projects a TABOR surplus liability of \$2.0 billion in FY 2023-24, \$1.3 billion in FY 2024-25, and \$1.8 billion in FY 2025-26 to be refunded to taxpayers out of the General Fund. These sums must be refunded to taxpayers out of the General Fund. This bill is estimated to decrease General Fund revenues by \$140,000 in FY 2023-24, \$875,000 in FY 2024-25 and \$1,195,000 in FY 2025-26, which will result in a decrease in the TABOR surplus liability of equal amounts.

Amendment **L.007** is projected to reduce General Fund revenue by an additional \$510,000 in FY 2024-25 and by an additional \$570,000 in FY 2025-26. Amendments **L.005**, **L.006**, and **L.008** are projected to minimally decrease General Fund revenue in FY 2024-25 and FY 2025-26.