

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 16-0814.01 Ed DeCecco x4216

HOUSE BILL 16-1118

HOUSE SPONSORSHIP

Court,

SENATE SPONSORSHIP

(None),

House Committees
Local Government

Senate Committees

A BILL FOR AN ACT

101 CONCERNING A LOCAL TAXING JURISDICTION'S REPAYMENT TO THE
102 STATE FOR A PRIOR SALES AND USE TAX DISTRIBUTION.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

If for any reason a local taxing jurisdiction is required to repay the state for a prior distribution of sales and use tax collections, the bill permits the executive director of the department of revenue to deduct the amount owed from future distributions of the tax collections. The executive director and the local taxing jurisdiction may enter into an intergovernmental agreement, which shall not exceed 3 years, to establish

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

the terms of the repayment. The executive director is required to notify the state controller of the agreement.

The bill also specifies that a local taxing jurisdiction's repayment for a prior distribution of sales and use tax collection is exempted from the state controller's usual debt collection procedures.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 39-26-122.5, **add** (4)
3 as follows:

4 **39-26-122.5. Collection of sales or use tax - enhanced**
5 **efficiencies - intergovernmental agreements with local governments**
6 **- legislative declaration.** (4) (a) IF FOR ANY REASON A LOCAL TAXING
7 JURISDICTION IS REQUIRED TO REPAY THE STATE FOR A PRIOR
8 DISTRIBUTION OF SALES AND USE TAX COLLECTIONS, THEN THE EXECUTIVE
9 DIRECTOR OF THE DEPARTMENT OF REVENUE MAY DEDUCT THE AMOUNT
10 OWED FROM FUTURE DISTRIBUTIONS OF SALES AND USE TAX COLLECTIONS.
11 THE EXECUTIVE DIRECTOR AND THE LOCAL TAXING JURISDICTION MAY
12 ENTER INTO AN INTERGOVERNMENTAL AGREEMENT TO ESTABLISH THE
13 TERMS OF THE REPAYMENT. THE AGREEMENT SHALL NOT EXCEED THREE
14 YEARS. THE EXECUTIVE DIRECTOR SHALL NOTIFY THE STATE CONTROLLER
15 OF AN AGREEMENT ENTERED INTO UNDER THIS SUBSECTION (4).

16 (b) SECTION 24-30-202.4, C.R.S., DOES NOT APPLY TO A LOCAL
17 TAXING JURISDICTION'S REPAYMENT FOR A PRIOR DISTRIBUTION OF SALES
18 AND USE TAX COLLECTIONS.

19 **SECTION 2. Safety clause.** The general assembly hereby finds,
20 determines, and declares that this act is necessary for the immediate
21 preservation of the public peace, health, and safety.