



**Colorado
Legislative
Council
Staff**

HB17-1136

**FINAL
FISCAL NOTE**

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 17-0738
Prime Sponsor(s): Rep. Foote
Sen. Gardner

Date: May 16, 2017
Bill Status: Signed into Law
Fiscal Analyst: Greg Sobetski (303-866-4105)

BILL TOPIC: CONSISTENT STATUTES FOR ELECTRONIC FILING OF TAXES

Fiscal Impact Summary	FY 2016-2017 <i>(current year)</i>	FY 2017-2018	FY 2018-2019
State Revenue			
State Expenditures	Workload increase.		
Appropriation Required: None.			
Future Year Impacts: None.			

Summary of Legislation

Current law requires that taxpayers file certain taxes via electronic returns and remit certain tax payments via electronic funds transfer. The bill makes this language permissive, removing the statutory requirement and authorizing the Department of Revenue to require electronic filing and funds transfer in rule instead. Cases where statutory requirements are affected include:

- withholding of income tax in excess of \$50,000;
- payment of sales tax by vendors with annual liabilities in excess of \$75,000;
- payment of gasoline and special fuel excise taxes;
- payment of excise taxes on cigarettes and non-cigarette tobacco products; and
- payment of excise and special sales taxes on retail marijuana.

Background

A Department of Revenue regulation currently allows taxpayers who are unable to remit sales tax payments by electronic funds transfer to seek an undue hardship waiver and remit tax payments through other means. The rule is set to expire on May 15, 2017.

State Expenditures

The bill is expected to increase workload in the Department of Revenue during the current FY 2016-17 only. The bill allows the department to promulgate rules governing tax filing and remittance. It is assumed that the rules promulgated pursuant to the bill will be similar to those set to expire on May 15, 2017, and that the department will not incur expenses resulting from a change in tax remittance policy. Increased workload for promulgation of additional rules can be accomplished within existing departmental appropriations.

Effective Date

The bill was signed into law by the Governor and took effect on March 23, 2017.

State and Local Government Contacts

Information Technology

Revenue