



Legislative
Council Staff

Nonpartisan Services for Colorado's Legislature

HB 18-1022

FINAL
FISCAL NOTE

Drafting Number: LLS 18-0273
Prime Sponsors: Rep. Sias; Kraft-Tharp
Sen. Jahn; Neville T.
Date: August 13, 2018
Bill Status: Signed into Law
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Bill Topic: DOR ISSUE SALES TAX REQUEST FOR INFORMATION

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure (<i>minimal workload</i>)	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill requires the Department of Revenue (DOR) to issue a request for information regarding the potential to contract for an electronic sales and use tax simplification system. The bill increases workload in the current FY 2017-18 and FY 2018-19 only.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note represents the enacted bill.

Summary of Legislation

This bill requires the Department of Revenue (DOR) to issue a request for information regarding the potential to contract for an electronic sales and use tax simplification system. The system would be available for use by the state and local governments, at their discretion, and would provide:

- accurate address location information;
- a single application process for sales tax licenses;
- a uniform sales tax remittance form;
- a single point of remittance for sales and use tax; and
- an accurate taxability matrix of each item subject to sales or use tax in the state and local jurisdictions.

The information provided must identify initial costs and ongoing annual costs, as well as methods for payment by different public or private entities.

The DOR is required to notify the Sales and Use Tax Simplification Task Force when the request for information has been issued. The task force is required to meet within 90 days of receiving this notification to consider information received and determine its next steps.

State Expenditures

This bill increases state workload during the current FY 2017-18 and FY 2018-19.

Department of Revenue. Workload in the DOR will increase during the current FY 2017-18 to issue a request for information and process responses received from potential contractors. The department's purchasing and contracting services section is responsible for issuing requests and ensuring compliance with procurement laws. Issuing the request can be accomplished within existing appropriations.

Office of Information Technology. Workload in the Office of Information Technology (OIT) will increase during the current FY 2017-18 to the extent necessary to ensure that the information technology components of the request for information are accurately communicated to potential contractors. The OIT may bill the DOR for these services, but it is assumed that this work can be accomplished within existing appropriations.

Sales and Use Tax Simplification Task Force. The task force will meet during either the current FY 2017-18 or FY 2018-19 to discuss responses received from the request for information. House Bill 17-1216 previously authorized the task force to meet in both of these years, and this bill is not expected to increase expenditures in the Legislative Department related to the task force.

Effective Date

This bill was signed into law by the Governor and took effect on March 1, 2018.

State and Local Government Contacts

Counties
Information Technology

Municipalities
Revenue

Special Districts