

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING THE ENLARGEMENT OF CERTAIN INCOME TAX CREDITS FOR LOW- AND MIDDLE-INCOME WORKING INDIVIDUALS OR FAMILIES, AND, IN CONNECTION THEREWITH, REDUCING STATE INCOME TAX REVENUE BY INCREASING THE EARNED INCOME TAX CREDIT AND INCREASING THE CHILD TAX CREDIT.

Prime Sponsors: Reps. Bird and Young
Sens. Hansen and Kolker

JBC Analyst: Jon Catlett
Phone: 303-866-4386
Date Prepared: May 5, 2023

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 Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/25/23.

	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>
XXX	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 Senate Finance Committee Report (05/04/23) includes amendments to the bill. Legislative Council Staff and JBC Staff agree that the committee amendments will not change General Fund revenue and the TABOR refund in FY 2023-24 but will reduce General Fund revenue and the TABOR refund liability by an additional \$23.2 million in FY 2024-25.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
None.	

Current Appropriations Clause in Bill

The bill neither requires nor contains an appropriation clause for FY 2023-24.

Points to Consider*TABOR/ Excess State Revenues Impact*

The March 2023 Office of State Planning and Budgeting (OSPB) revenue forecast projects a TABOR surplus liability of \$720.9 million for FY 2023-24 and \$1.2 billion for FY 2024-25. These sums must be refunded to taxpayers out of the General Fund. This amended bill is estimated to decrease General Fund revenues by \$74.8 million in FY 2023-24 and by \$97.6 million in FY 2024-25, which will result in a decrease in the TABOR surplus liability of equal amounts.

Future Fiscal Impact:

Although this amended bill would not require a General Fund appropriation for FY 2023-24, it is projected to require General Fund appropriations of \$76,168 in FY 2024-25.