



**Legislative Council Staff**  
*Nonpartisan Services for Colorado's Legislature*

**Fiscal Note  
Memorandum**

Room 029 State Capitol, Denver, CO 80203-1784  
Phone: (303) 866-3521 • Fax: (303) 866-3855  
lcs.ga@state.co.us • leg.colorado.gov/lcs

**January 17, 2019**

**TO:** Senator Angela Williams  
**FROM:** Larson Silbaugh, Principal Economist, (303-866-4720)  
**SUBJECT:** Fiscal Assessment of Proposed Amendment **SB006\_L.001**.

This memorandum is an assessment of the fiscal impact of the attached proposed amendment to **SB19-006**. This fiscal assessment is for the impact of the bill with inclusion of this amendment only. Any other added amendment could influence the fiscal impact.

**Summary of Proposed Amendment**

Amendment L.001 identifies the General Fund as the future funding source for the electronic sales and use tax simplification system.

**Fiscal Impact of Amendment**

The amendment does not change the fiscal impact of the bill; it simply identifies a funding source if the state moves forward with implementing an electronic sales and use tax simplification system.

**Bill's Revised Fiscal Impact with Amendment**

The bill continues to result in a workload increase for the solicitation of an electronic sales and use tax simplification system.

SB006 L.001

SENATE COMMITTEE OF REFERENCE AMENDMENT

Committee on Finance.

SB19-006 be amended as follows:

- 1 Amend printed bill, page 3, line 2, strike "and".
- 2 Page 3, line 8, strike "constitution." and substitute "constitution; and".
- 3 Page 3, after line 8 insert:
  - 4 "(e) It is the task force's intent that the cost of the initial funding
  - 5 and ongoing maintenance of the electronic sales and use tax
  - 6 simplification system be paid for from the additional sales tax revenues
  - 7 that the state is receiving as a result of the United States Supreme Court's
  - 8 decision in *South Dakota v. Wayfair, Inc., et al.*, which allowed states to
  - 9 require retailers without physical presence in the state to collect sales tax
  - 10 on purchases made by in-state customers so long as the sales tax system
  - 11 in the state is not too burdensome for the out-of-state retailer.
  - 12 **SECTION 2.** In Colorado Revised Statutes, 39-26-123, **amend**
  - 13 (3) as follows:
    - 14 **39-26-123. Receipts - disposition - transfers of general fund**
    - 15 **surplus - sales tax holding fund - creation - definitions.** (3) For any
    - 16 state fiscal year commencing on or after July 1, 2013, the state treasurer
    - 17 shall credit eighty-five percent of all net revenue collected under the
    - 18 provisions of this ~~article~~ ARTICLE 26 to the old age pension fund created
    - 19 in section 1 of article XXIV of the state constitution. The state treasurer
    - 20 shall credit to the general fund the remaining fifteen percent of the net
    - 21 revenue, less ten million dollars, which the state treasurer shall credit to
    - 22 the older Coloradans cash fund created in section 26-11-205.5 (5). ~~C.R.S.~~
    - 23 THE GENERAL ASSEMBLY SHALL MAKE ANY NECESSARY APPROPRIATIONS
    - 24 FOR THE INITIAL FUNDING AND ONGOING MAINTENANCE OF THE
    - 25 ELECTRONIC SALES AND USE TAX SIMPLIFICATION SYSTEM DESCRIBED IN
    - 26 SECTION 39-26-802.7 FROM ANY NET REVENUE THAT IS CREDITED TO THE
    - 27 GENERAL FUND."
- 28 Renumber succeeding sections accordingly.

\*\* \*\* \*\* \*\* \*\*