

Tax and Finance

Cash Fund Transfers

SB 13-233 (Enacted)
Transfers to General Fund from Repealed Cash Funds

SB 13-235 (Enacted)
Transfer to the Colorado State Veterans Trust Fund

SB 13-236 (Enacted)
Transfers of Money Related to Capital Construction

SB 13-269 (Enacted)
Wildfire Risk Reduction Grant Program

SB 13-270 (Enacted)
Wildfire Preparedness & Emergency Response

HB 13-1001 (Enacted)
Advanced Industries Acceleration Act

HB 13-1180 (Enacted)
Allocation of Tobacco Litigation Settlement Moneys

HB 13-1193 (Enacted)
Advanced Industries Export Acceleration Program

HB 13-1305 (Enacted)
Address Possible Tobacco Settlement Payment Reductions

HB 13-1318 (Enacted)
Retail Marijuana Taxes

Income Taxes

SB 13-001 (Enacted)
Colorado Working Families Economic Opportunity Act

SB 13-213 (Enacted)
Future School Finance Act

SB 13-283 (Enacted)
Implement Amendment 64 Consensus

SB 13-286 (Enacted)
Renewable Energy Investment Tax Credit Carryover Years

HB 13-1012 (Enacted)
Extend Wildfire Mitigation Financial Incentives

HB 13-1024 (Enacted)
Income Tax Modification for Military Family Relief Fund Grants

HB 13-1042 (Enacted)
State Income Tax Deduction Disallowed by IRC 280E

HB 13-1080 (Enacted)
Aircraft Manufacturer Employee Income Tax Credit

HB 13-1094 (Postponed Indefinitely)
Tax Credit for School-related Expenditures

HB 13-1120 (Postponed Indefinitely)
Eliminate Conservation Easement Disputed for Taxes

HB 13-1140 (Postponed Indefinitely)
Establishment of CO Independent Tax Appeal Court

HB 13-1142 (Enacted)
Urban and Rural Enterprise Zone Act Reforms

HB 13-1143 (Postponed Indefinitely)
Adopt Model Mobile Workforce Income Tax

HB 13-1183 (Enacted)
Extend Conservation Easement Tax Credit Cap

HB 13-1247 (Enacted)
Innovative Motor Vehicle Income Tax Credit

HB 13-1287 (Enacted)
Extend CO Job Growth Incentive Tax Credit 5 Years

Income Tax Checkoff Programs

SB 13-029 (Enacted)
Habitat for Humanity of CO Tax Checkoff Creation

HB 13-1164 (Enacted)
Extend Unwanted Horse Tax Checkoff

HB 13-1237 (Enacted)
Special Olympics Colorado Tax Checkoff

Sales and Use Taxes

SCR 13-003 (Deemed Lost)
Marijuana Taxes and Conditional Suspend Regulation

SB 13-045 (Postponed Indefinitely)
Expand Sales Tax Exemption for Food

SB 13-127 (Enacted)
Sales Tax Revenue to Older Coloradans Cash Fund

HB 13-1009 (Enacted)
Refund Deadline for Overpaid Sales and Use Tax

HB 13-1059 (Postponed Indefinitely)
Telecom Services Equipment Sales Tax

HB 13-1116 (Postponed Indefinitely)
Allocation of Sales and Use Tax Revenues to HUTF

HB 13-1144 (Enacted)
Eliminate Cigarette Sales and Use Tax Exemption

HB 13-1150 (Postponed Indefinitely)
Sales and Use Tax Holiday Disaster-preparedness Items

HB 13-1151 (Postponed Indefinitely)
Sales and Use Tax Holiday for Higher Ed Textbooks

Tax and Finance (Cont.)

Sales and Use Taxes (Cont.)

HB 13-1272 (Enacted)
RTD and SCFD Sales and Use Tax
Base Same as State

HB 13-1288 (Enacted)
Establish Statewide Uniform Sales
and Use Tax Base

HB 13-1295 (Enacted)
Simplify Sales Tax for Marketplace
Fairness Act

HB 13-1312 (Postponed Indefinitely)
When Retailers Must Collect Sales
Tax

HB 13-1317 (Enacted)
Implement Amendment 64 Majority
Recommendation

HB 13-1318 (Enacted)
Retail Marijuana Taxes

Property Taxes

HCR 13-1001 (Postponed Indefinitely)
Expand Senior Property Tax
Exemption

HB 13-1113 (Enacted)
Alternate Property Tax Protest and
Appeal Procedure

HB 13-1145 (Enacted)
Administration of Senior and
Veterans Property Tax
Exemptions

HB 13-1174 (Postponed Indefinitely)
Business Personal Property Tax
Exemptions

HB 13-1177 (Postponed Indefinitely)
Business Personal Property Tax
Exemption

HB 13-1206 (Enacted)
Expand Authority for Business
Incentive Agreements

HB 13-1246 (Enacted)
Modify Property Tax Exemptions
for Nonprofit Organizations

HB 13-1319 (Enacted)
Assessment Ratio for Residential
Real Property

Excise and Gaming Taxes

SB 13-133 (Enacted)
Distribution of State Share of Limited
Gaming Revenues

HB 13-1318 (Enacted)
Retail Marijuana Taxes

State Fees

SB 13-011 (Enacted)
Colorado Civil Union Act

SB 13-026 (Enacted)
Update Michael Skolnik Medical
Transparency Act

SB 13-039 (Enacted)
Regulate Audiology Practice

SB 13-050 (Enacted)
Recycling Resources Economic
Opportunity Fund

SB 13-057 (Postponed Indefinitely)
Independent Review of Solid Wastes
Disposal Site Application

SB 13-061 (Postponed Indefinitely)
Motor Vehicle Emissions
Inspections

SB 13-068 (Postponed Indefinitely)
Modify Late Vehicle Registration Fee

SB 13-111 (Enacted)
Require Reports of Elder Abuse and
Exploitation

SB 13-120 (Enacted)
Navy SEAL Motor Vehicle License
Plate

SB 13-123 (Enacted)
Collateral Consequences

SB 13-128 (Postponed Indefinitely)
Firefighter Motor Vehicle License
Plate Fees

SB 13-150 (Enacted)
Sunset Water and Wastewater
Operators Board

SB 13-151 (Enacted)
Sunset Review Massage Therapists

SB 13-152 (Enacted)
Sunset Review Asbestos Abatement

SB 13-155 (Enacted)
Sunset Board Of Real Estate
Appraisers

SB 13-156 (Enacted)
Sunset Board Of Mortgage Loan
Originators

SB 13-159 (Enacted)
Sunset Division Of Financial
Services 2024

SB 13-161 (Enacted)
Sunset Licensing Architects
Engineers Surveyors

SB 13-162 (Enacted)
Sunset Examining Board Of
Plumbers

SB 13-171 (Enacted)
Sunset Continue Licensing Of Money
Transmitters

SB 13-172 (Enacted)
Sunset Continue Acupuncture
Regulation

Tax and Finance (Cont.)

| State Fees (Cont.) | | |
|--|---|---|
| SB 13-175 (Enacted) <i>Wildlife Habitat Stamp Programs Continuation</i> | SB 13-180 (Enacted) <i>Sunset Review Occupational Therapy Practice Act</i> | SB 13-194 (Enacted) <i>Repeal Low-income Telephone Assistance</i> |
| SB 13-219 (Enacted) <i>Methamphetamine Laboratory Remediation</i> | SB 13-221 (Enacted) <i>Conservation Easement Tax Credit Certification Application</i> | SB 13-224 (Enacted) <i>Protect Our Rivers Motor Vehicle License Plate</i> |
| SB 13-238 (Enacted) <i>Regulation Hearing Aid Provider Sellers</i> | SB 13-251 (Enacted) <i>Driver's License and Identification Documentation</i> | SB 13-259 (Enacted) <i>Mandatory Regulatory Private Investigators and Apprentices</i> |
| SB 13-280 (Enacted) <i>Title Off-highway Vehicles</i> | HB 13-1003 (Enacted) <i>Economic Gardening Pilot Project Office Economic Development</i> | HB 13-1011 (Enacted) <i>Repeal Fee Veteran's Identifier Driver's License</i> |
| HB 13-1071 (Enacted) <i>Register Collector's Motor Vehicles</i> | HB 13-1110 (Enacted) <i>Special Fuel Tax and Electric Vehicle Fee</i> | HB 13-1111 (Enacted) <i>Regulate Naturopathic Doctors</i> |
| HB 13-1132 (Enacted) <i>Highway Vehicle Weight Limits</i> | HB 13-1133 (Enacted) <i>Plumbing And Electrical Inspections Schools</i> | HB 13-1161 (Postponed Indefinitely) <i>Daily Vehicle Rental Fee Exemption</i> |
| HB 13-1169 (Postponed Indefinitely) <i>No Background Check with Concealed Carry Permit</i> | HB 13-1214 (Postponed Indefinitely) <i>Felony For Repeat DUI Offenders</i> | HB 13-1218 (Postponed Indefinitely) <i>Office Consumer Counsel Duties</i> |
| HB 13-1228 (Enacted) <i>Payment For Background Checks for Gun Transfers</i> | HB 13-1232 (Enacted) <i>Warrior Transition Battalion Fishing Licenses</i> | HB 13-1248 (Enacted) <i>Irrigation Water Leasing Municipal Pilot Projects</i> |
| HB 13-1277 (Enacted) <i>HOA Regulatory License Common Interest Community Managers</i> | HB 13-1280 (Enacted) <i>Target Reserve Regulatory Waiver for Building Regulatory Fund</i> | HB 13-1317 (Enacted) <i>Implement Amendment 64 Majority Recommendation</i> |

The legislature debated a number of bills that affect the state's public finances and taxpayers in Colorado. This document summarizes the bills that were considered during the 2013 legislative session regarding the state's budget and main tax sources for its operating budget. Other bills affected the administration of these taxes and the local governments that implement these tax systems. Additionally, bills affecting state cash funds and state fees are summarized.

Tax Legislation and the Economy

The economy continued to expand in the second half of 2012 and the first seven months of 2013. A number of tax bills were considered and adopted during the 2013 session. Amendment 64, a voter-approved ballot measure, pertaining to marijuana sales and use, resulted in one measure being referred to voters that affects state sales and excise taxes.

Changes to K-12 education funding triggered another initiative that will ask voters to approve a state income tax rate increase to fund education. This measure is tied to a future School Finance Act enacted by the legislature during the recent session. The School Finance Act will only go into effect if the ballot measure is approved. In addition to the ballot-related measures, legislation that provides tax incentives through the state income tax system and changes to sales

and use tax exemptions, many of were also enacted by the General Assembly. These policy changes extended or modified legislation enacted in prior sessions.

Colorado's recovery from the most recent recession is one of the strongest in the nation. The state continues to see moderate job growth, consumers who are spending money on big-ticket goods such as automobiles, and a strong housing market. Colorado is also seeing significant growth in its export markets despite the fragile global economy. All of these factors have contributed to growth in General Fund revenue at levels that are higher than previously expected for 2013. As a result, General Fund revenue is estimated for FY 2012-13 to grow 10.9 percent over the prior year and is expected to grow 3.8 percent and 6.6 percent in FY 2013-14 and FY 2014-15, respectively.

The ongoing revenue growth in 2013 is attributed to an improving economy and changes in federal tax policy. Some of the revenue growth is due to one-time revenue impacts tied to federal tax law changes in the American Taxpayer Relief Act of 2012. All of these factors have led to a 2013 legislative session that triggered much of the policy changes that are described in the following sections.

Cash Fund Transfers

The state receives its revenue from the federal government, state taxes, and state fees. Most fee revenue and some tax revenue are deposited into state cash funds that are earmarked for specific state programs. The legislature debated bills that transferred money from some of these cash funds to the General Fund, as well as from the General Fund to some cash funds.

Table 1 lists bills making cash fund transfers to or from the General Fund that were adopted during the 2013 session. It also lists bills that may make cash fund transfers from the General Fund if certain triggers are met. A total of ten bills are listed in Table 1, showing a combined transfer of up to \$342.0 million from the General Fund to various cash funds over the course of the next three fiscal years, including \$2.2 million in FY 2012-13, \$268.2 million in FY 2013-14, and \$71.6 million in FY 2014-15.

Table 1
Cash Fund Transfers to or from the General Fund

| Bill Number | Cash Fund | Net Impact to the General Fund | | |
|-------------|---|--------------------------------|---------------|--------------------|
| | | FY 2012-13 | FY 2013-14 | FY 2014-15 |
| SB 13-233 | Various repealed cash funds | \$0 | \$10,651 | \$0 |
| SB 13-235 | Colorado State Veterans Trust Fund | 0 | (3,860,429) | 0 |
| SB 13-236 | Capital Construction Fund | (420,184) | (186,215,493) | 0 |
| | Capital Construction Fund (<i>transfer from General Fund Exempt account</i>) | 0 | (500,000) | 0 |
| | Colorado Water Conservation Board Construction Fund (<i>transfer from General Fund surplus</i>) | 0 | 0 | up to (30,000,000) |
| SB 13-269 | Wildfire Risk Reduction Fund | 0 | (9,800,000) | 0 |
| SB 13-270 | Wildfire Emergency Response Fund | 0 | (500,000) | 0 |
| HB 13-1001 | Advanced Industries Acceleration Fund | 0 | (5,500,000) | 0 |

**Table 1 (Cont.)
Cash Fund Transfers to or from the General Fund**

| Bill Number | Cash Fund | Net Impact to the General Fund | | |
|--------------|--|--------------------------------|------------------------|-----------------------|
| | | FY 2012-13 | FY 2013-14 | FY 2014-15 |
| HB 13-1180 | Tobacco Litigation Settlement Funds | (1,792,244) | (1,803,330) | (1,820,072) |
| HB 13-1193 | Advanced Industries Export Acceleration Fund | 0 | (300,000) | (300,000) |
| HB 13-1305* | Tobacco Litigation Settlement Fund | 0 | up to (40,000,000) | 0 |
| HB 13-1318** | Marijuana Cash Fund | 0 | (16,770,387) | (33,540,774) |
| | Various local jurisdictions | 0 | (2,959,480) | (5,918,960) |
| Total | | (\$2,212,428) | (\$268,198,468) | (\$71,579,806) |

* Conditional on losing the Tobacco Master Settlement Agreement dispute.

**Conditional on voter approval.

Income Taxes

The legislature debated and enacted a number of bills affecting state income taxes. The state's income tax rate is 4.63 percent and is the same for all income levels for both households and businesses. This session saw a number of income tax bills related to:

- the School Finance Act — income tax funding mechanisms;
- issues of public health and safety;
- assistance to military personnel;
- economic and business development;
- tax assistance for low and middle income wage earners; and
- tax administration.

Some of these tax policy changes take the form of state income tax credits and deductions. Other state income tax-related measures affect the administration of the state tax by the Colorado Department of Revenue.

School Finance Act — income tax funding mechanisms. Under current law, funding for school districts is set by a statewide base per pupil amount, which is modified to provide additional funding for each district according to various factors, such as a district's cost of living, enrollment, or percentage of at-risk students.

One measure affecting K-12 education that includes an income tax rate change is **Senate Bill 13-213**. This bill, enacted, provides a new funding formula for school districts and Charter School Institute schools and it changes how pupils are counted for funding purposes. The bill creates a new school finance act, contingent on voter approval of a statewide ballot measure, to increase state tax revenue for public education by requiring that a fixed percentage of revenue from certain state taxes be annually set aside for schools. The new act will commence in the second budget year following approval of the ballot measure. Therefore, the earliest the new funding formula could start is FY 2015-16.

The ballot measure requires that at least 43 percent of state income, sales, and excise tax revenue be set aside annually to pay for public education. Beginning in tax year 2014 the measure establishes a two-tiered income tax system, if approved by voters. The ballot measure raises the

state individual income tax rate from 4.63 percent to 5.0 percent on the first \$75,000 of taxable income and to 5.9 percent on taxable income over \$75,000. The legislature may adjust the \$75,000 income threshold annually by inflation. If adopted by voters, the measure will increase state income tax revenue by an estimated \$950 million in budget year 2015-16, the first full year of implementation.

Issues of public health and safety. Under current law, homeowners in the wildland-urban interface may deduct costs for wildfire mitigation measures from their Colorado taxable income. The allowed deduction is for 50 percent of costs up to \$5,000 or a maximum \$2,500 deduction. Wildfire mitigation measures include establishing defensible space around a residence (e.g., fuel breaks, thinning vegetation, other site work). This deduction is set to expire after tax year 2013. **House Bill 13-1012**, enacted, extended the wildfire mitigation income tax deduction to tax year 2014.

Assistance to certain military personnel. The Military Family Relief Fund provides emergency grants for financial hardships to members, including reservists, of the Colorado National Guard and their families when ordered to active military duty. **House Bill 13-1024**, enacted, establishes a deduction from taxable income for military families receiving a grant from the Military Family Relief Fund. The total amount of the grant received by a family is deductible from the taxable income reported on and transferred from the taxpayer's federal form, assuming the grant was reported as income. The deduction takes effect for tax year 2014 and subsequent tax years.

Tax incentives for business development. During the 2013 session and many other prior years, the General Assembly adopted several bills for the purpose of encouraging business development. This policy perspective was emphasized during the years in which the economy was recovering from two recessions during the 2000s. These incentives are generally aimed at encouraging businesses that are in the early-stage part of the business cycle or focused on letting businesses keep more of their revenue so that businesses do not fail or have more money to hire new employees.

Two bills debated by the legislature affect income taxes paid by state-licensed medical marijuana businesses and new recreational marijuana businesses established under Amendment 64. This amendment, approved by voters in the 2012 General Election, allows for an adult 21 years or older to consume or possess up to 1 ounce of marijuana.

House Bill 13-1042, enacted, allows state-licensed medical marijuana businesses to claim a state income tax deduction beginning in tax year 2014 for business expenses that are otherwise eligible to be claimed as a federal income tax deduction but are disallowed by Section 280E of the Internal Revenue Code, such as rent and personnel costs. Section 280E of the federal tax code does not allow businesses to deduct expenses if the business is not legal at the federal level, like growing or selling marijuana. These amounts are currently taxed at a state rate of 4.63 percent. (Expenses for business start up and the cost of goods may be deducted.)

Senate Bill 13-283, enacted, allows recreational retail marijuana businesses to deduct certain business expenses from their state income taxes that are prohibited by federal tax law.

Under current law, aircraft manufacturers, but not those involved with aircraft maintenance, located in a Colorado aviation development zone, can claim a state income tax credit of \$1,200 per qualifying employee hired prior to tax year 2017. **House Bill 13-1080**, enacted, expands the type of industries that can claim the Aircraft Manufacturer New Employee Tax Credit to include companies involved with the maintenance and repair, completion, or modification of aircraft. This bill applies until tax year 2023.

Another bill, **House Bill 13-1142**, enacted, capped a tax incentive and expanded several other tax incentives available for businesses that conduct business activities under the Colorado Enterprise Zone Program. Under state law, a taxpayer can claim a state income tax credit equal to 3 percent of any qualified investment that is either acquired, placed into service, or constructed and used exclusively in an enterprise zone for the first year of ownership by the taxpayer. The 3 percent investment tax credit can be used to offset the first \$5,000 of tax liability plus 50 percent of tax liability in excess of \$5,000. Any amount of unused credits can be carried forward for 12 years after the first year for which the credit was claimed. During the prior recession, the General Assembly limited the amount of credit that could be claimed in tax years 2011, 2012, and 2013 to \$500,000 and deferred any portion of the credit that exceeds \$500,000 to tax year 2014.

HB 13-1142 limits the 3 percent investment tax credit to \$750,000 per year for investments made in 2014 and later. The bill also allows credits above the limit to be carried forward for 14 years and allows the Economic Development Commission to waive the limit. The bill increases the New Business Facility Employee Credit from \$500 to \$1,100 for each new qualified business employee and increases the Employer Sponsored Health Insurance Credit from \$200 to \$1,000 for each new qualified business employee. The bill also increases the Enterprise Zone Qualified Job Training Program Investment Credit from 10 percent of the total investment to 12 percent.

In addition to the effect of HB 13-1142 on the 3 percent investment tax credit, **Senate Bill 13-286** extends the carry forward period of the Enterprise Zone Investment Tax Credit by 8 years for renewable energy companies, thereby allowing these companies to carry forward the credit for a total of 20 years. The bill defines a renewable energy company as an entity in the solar thermal electric, photovoltaic, landfill gas, wind, biomass, hydroelectric, geothermal electric, recycled energy, anaerobic digestion, or renewable fuel business.

Under current law, taxpayers are allowed to claim a state income tax credit for donating a conservation easement. The credit is equal to 50 percent of the fair market value of the easement, with a cap of \$375,000 per easement. During the last recession of the 2000s, the legislature capped the aggregate amount of credits at \$22 million annually for tax years 2011 and 2012, and increased the cap to \$34 million in 2013. **House Bill 13-1183** continues the cap by adding an aggregate limit on new donations made in a single tax year to \$45 million in 2014 and each year thereafter. Claims for tax credits are awarded in the order in which they are submitted. Any claims for tax credits that exceed the limit are placed on a wait list and given credit in a future year when the limitation has not been exceeded, except that no more than \$15 million in claims can be placed on the wait list in any given calendar year.

For certain reasons, and taxpayer circumstances, the Department of Revenue can disallow or reduce the amount of a state income tax credit that a taxpayer claims on their state income tax form. Over the years, the department has disallowed tax credits for certain conservation easement donations because of appraisal value issues or other reasons that disqualify a taxpayer from claiming a state income tax credit. **House Bill 13-1120**, postponed indefinitely, would have eliminated the department's ability to disallow or reduce an income tax credit for conservation easement donations.

Qualifying taxpayers are allowed a state income tax credit called the Job Growth Incentive Tax Credit if they are doing business and create jobs in Colorado. The income tax credit is equal to one-half of the amount the employer is required to pay in federal social security and Medicare taxes on the created jobs. The credit is authorized through tax year 2014 and taxpayers may claim the credits through tax year 2018. **House Bill 13-1287**, enacted, extends this tax incentive by an additional five income tax years through tax year 2019.

A state income tax credit called the Innovative Motor Vehicle Tax Credit is available through tax year 2015 to taxpayers who purchase or lease an alternative fuel motor vehicle or convert a vehicle to an alternative fuel. **House Bill 13-1247**, enacted, extends this credit through tax year 2021.

Tax relief for low- and middle-income wage earners. **Senate Bill 13-001**, enacted, provides tax relief to qualifying taxpayers with low- and middle incomes by allowing a partial state tax credit based on a portion of the federal earned income tax credit (EITC) and federal child tax credit claimed. The federal EITC is extended to low- and middle-income taxpayers who have earned income working for another person or from operating a business or farm.

TABOR, a constitutional tax and expenditure limitation, limits annual growth in most state revenue to inflation plus the percentage change in population. When state revenue exceeds this limit, a TABOR surplus occurs. Under TABOR, the state is required to refund any revenue collected over the limit to taxpayers in the next fiscal year after the surplus revenue is collected. Based on the most recent June 2013 Legislative Council Staff revenue forecast, revenue will not be sufficient to produce a TABOR refund through at least FY 2014-15, the end of the forecast period.

Under current law, the Colorado EITC is only available when the state has a large enough TABOR surplus to fund the credit. For example, if revenue growth is sufficient to produce a TABOR surplus after the forecast period of about \$102.5 million in FY 2015-16, the Colorado EITC would be funded. One year after the Colorado EITC is funded through the TABOR surplus, SB 13-001 makes the Colorado EITC available the year immediately following the year it is used to refund a TABOR surplus *whether or not* there is a TABOR surplus. Thus, under SB 13-001, the Colorado EITC is available each year thereafter as its availability is no longer contingent on TABOR surplus revenue.

Under Section 24 of the Internal Revenue Code (IRC), the federal government allows a nonrefundable child tax credit equal to \$1,000 per qualifying child age 16 and under. There is no Colorado state credit under current law. However, the state had a refundable child tax credit equal to \$300 per child age five and under during years when the state had a TABOR surplus in 2000 and 2001.

SB 13-001 creates a refundable Colorado child tax credit, effective upon passage by Congress of the Marketplace Fairness Act of 2013. The act is a federal bill that requires out-of-state retailers to collect and remit sales taxes to states that have met minimum simplification requirements for sales tax administration. The simplification requirements require a uniform tax base within each state that allow a out-of-state retailer to easily determine the rate and products that are subject to a sales tax. As of the publication of this document in August 2013, the act is pending in the U.S. House of Representatives after being passed by the U.S. Senate.

During prior sessions, the legislature debated policy that would reduce taxes for qualifying taxpayers who incur expenses related to a child's or dependent's school-related costs. **House Bill 13-1094**, postponed indefinitely, would have allowed an income tax credit to Colorado residents that incur expenses related to their child's or dependant's school supplies or school fees.

Tax administration. The Department of Revenue administers the state income tax and other tax systems levied by the state. The department's administration role provides for the review and adjudication of tax disputes and the final determination by the department to resolve such tax-related issues. **House Bill 13-1140**, postponed indefinitely, would have created the Colorado independent tax appeal court. The court would have been responsible for the independent review for final tax resolution determinations by the department's executive director.

State law requires the department to process state income taxes for Colorado residents as well as certain nonresident individuals who earn income in Colorado. **House Bill 13-1143**, postponed indefinitely, would have exempted a nonresident from filing Colorado state income taxes if they work in Colorado 30 days or less. The bill would have also exempted the employer from state income tax withholding requirements.

Income Tax Checkoff Programs

In 1977, Colorado was the first state to create a tax "checkoff" allowing taxpayers to voluntarily contribute to an organization on their income tax form by donating a portion of their income tax refund or increasing the amount owed on their tax return. Currently, there are 15 checkoff programs on the form, the maximum allowed by law. During the 36 tax years that programs have been on the form, organizations have received \$41.3 million in contributions.

Newly created programs and the "queue." During the 2011 session, the legislature made changes to the income tax checkoff program which established a priority order for newly-created checkoffs. To ensure that the 15-checkoff cap is not exceeded, the priority order system specifies that continued or renewed checkoffs take precedence over newly-created checkoffs. Thus, if a checkoff that has appeared on the form is renewed or continued and has donations of at least \$75,000 during the third year that the checkoff has appeared on the form, the checkoff remains on the form in the subsequent tax year. Newly-created checkoffs can only appear on the tax form when an existing checkoff is removed. If more than one checkoff is placed in a queue in any given year, the order of checkoffs is determined by the date and time the Governor signed the bill creating the new checkoff.

Seven tax checkoff programs resulting from legislation enacted during the 2011, 2012, and 2013 sessions are in what is known as the tax checkoff queue. They will be added to the income tax form as checkoffs drop off the form. Table 2 shows the order of income tax checkoffs in the queue. The earliest these checkoffs may be added to the form is tax year 2013. Historically, about one income tax checkoff program drops off the income tax form each year for either insufficient donations or not being continued by the General Assembly. Thus, one or two programs in the queue may be added on the 2013 tax form.

Table 2
Tax Checkoff Program Queue*

| Queue Order | Program | Signed into Law | |
|------------------------|---------------------------------------|-----------------|-----------|
| | | Date | Time |
| (1) Senate Bill 11-109 | Public Education Fund | 06/02/11 | 5:17 p.m. |
| (2) House Bill 11-1071 | Roundup River Ranch Fund | 06/06/11 | 4:35 p.m. |
| (3) Senate Bill 12-055 | 9Health Fair Fund | 04/16/12 | 2:13 p.m. |
| (4) House Bill 12-1290 | Colorado For Healthy Landscapes Fund | 04/26/12 | 1:26 p.m. |
| (5) House Bill 12-1006 | American Red Cross Fund | 04/26/12 | 1:33 p.m. |
| (6) Senate Bill 13-029 | Habitat For Humanity of Colorado Fund | 03/15/13 | 3:30 p.m. |
| (7) House Bill 13-1237 | Special Olympics Colorado Fund | 04/19/13 | 3:11 p.m. |

*Checkoffs may be added beginning tax year 2013 and subsequent tax years.

Table 3 provides donation information on checkoff programs from January 1, 2013, through June 30, 2013, for checkoffs that appeared on the 2012 tax form.

Table 3
Donations for Tax Checkoff Programs
(2012 tax year: donation period from January 1, 2013 through June 30, 2013)

| Tax Checkoff Programs | Donations |
|--|--------------------|
| Military Family Relief Fund | \$144,493 |
| Colorado Nongame and Endangered Wildlife Fund | 145,720 |
| Colorado Domestic Abuse Fund | 128,320 |
| Pet Overpopulation Fund | 126,752 |
| Colorado Homeless Prevention Activities Fund | 110,163 |
| Make-A-Wish Foundation of Colorado Fund | 102,686 |
| Unwanted Horse Fund | 90,712 |
| Alzheimer's Association Fund | 91,148 |
| Colorado Healthy Rivers Fund | 84,421 |
| Colorado Cancer Fund | 79,017 |
| Families In Action For Mental Health Fund* | 65,648 |
| Goodwill Industries Fund* | 63,976 |
| Colorado Multiple Sclerosis Fund*** | 51,552 |
| Western Colorado State Veterans' Cemetery Fund** | 30,214 |
| Colorado 2-1-1 First Call For Help Fund | 13,468 |
| Totals*** | \$1,328,290 |

**Donation amounts for these checkoffs are for the second year each program has appeared on the form.*

***This income tax checkoff program is not subject to the \$75,000 donation requirement to remain on the income tax form.*

****This income tax checkoff program first appeared on the 2009 tax form but dropped off the form in 2011. After one year it was placed back on the tax form in 2012 and is subject to the \$75,000 donation requirement.*

2013 checkoff program legislation. During the 2013 session, the legislature adopted three tax checkoff bills as summarized in Table 4. These bills:

- create a new checkoff program;
- extend an existing program; and
- re-establish an older program that dropped off the form in 2011.

Table 4
Checkoff Program Legislation, 2013 Session

| Legislation Creating New Programs | |
|---|---------------------------------------|
| Senate Bill 13-029 | Habitat For Humanity of Colorado Fund |
| Legislation Extending Current or Older Programs | |
| House Bill 13-1164 | Colorado Unwanted Horse Fund* |
| Legislation Re-Establishing An Older Program | |
| House Bill 13-1237 | Special Olympics Colorado Fund** |

**This program appeared on the 2010, 2011, and 2012 tax forms.*

***This program appeared on the 1997 tax form and each year thereafter through 2011. The program sunset in 2012 and during the 15 years on tax forms, averaged \$186,000 annually in donations.*

Sales and Use Taxes

The General Assembly debated numerous bills during the 2013 session impacting state sales taxes. The state sales and use tax rate is 2.9 percent and is imposed on the purchase of tangible personal property and certain services. The bills considered:

- propose to levy a special sales tax on marijuana under Amendment 64;
- propose funding for the cost of regulating marijuana;
- provide additional funding for senior services;
- propose additional funding for transportation;
- affect the collection of state sales and use taxes for online sales;
- affect the administration of state sales and use taxes;
- affect state and local government sales tax bases; and
- modify or create state sales and use tax exemptions.

Sales and excise taxes on marijuana. Amendment 64, passed by the voters in November 2012, allows for an adult 21 years or older to consume or possess up to 1 ounce of marijuana and requires that a regulatory structure be established. Beginning January 1, 2014, the cultivation, processing, and retail sale of marijuana is allowed in Colorado. **House Bill 13-1318** creates a special sales tax to be levied on retail marijuana beginning January 1, 2014, and refers a ballot question to the voters at the 2013 general election for approval of the new taxes. Revenue under this ballot question would be exempt from the limitations on revenue, spending, or appropriations contained in Section 20 of Article X of the State Constitution.

The special sales tax under HB 13-1318 authorizes a sales tax of up to 15 percent; although the tax is initially set at 10 percent. The retail marijuana sales tax is in addition to the current 2.9 percent state sales tax. (The 2.9 percent rate is in place whether or not voters approve the state sales taxes under HB 13-1318 because marijuana is considered tangible personal property that is taxed like any other retail good.) Local jurisdictions will receive 15 percent of the proceeds of the retail marijuana sales tax apportioned according to the percentage of retail marijuana sales in their boundaries, distributed monthly.

In addition to the 10 percent sales tax, HB 13-1318 creates an excise tax of up to 15 percent of the average market rate of the unprocessed retail marijuana on its first sale or transfer from a cultivation facility to a retail store, product manufacturing facility, or other cultivation facility.

Use of state sales tax revenue from the sale of marijuana. State sales taxes are the second largest revenue source for the General Fund. Under current law, state sales tax collections from the medical marijuana industry are General Fund revenue. **House Bill 13-1317**, enacted, implements major provisions of Amendment 64 by creating the Colorado Retail Marijuana Code, under which the Marijuana Enforcement Division (MED), Department of Revenue (DOR), has the authority to regulate both medical and retail marijuana. Beginning July 1, 2013, HB 13-1317 requires that all sales taxes from medical and retail marijuana sales, be used to fund the MED in the DOR. These sales taxes would otherwise be credited to the General Fund.

Funding the cost to regulate marijuana. In addition to HB 13-1318, which imposes state sales taxes on retail marijuana requiring voter approval in the November 2013 general election (above paragraph), the legislature debated **Senate Concurrent Resolution 13-003**. The resolution was directly tied to HB 13-1318, and would have posed two questions to voters in the 2013 election. First, it asked voters:

- to approve the state taxes authorized on marijuana in HB 13-1318; and
- if the electorate did not approve the taxes authorized under HB 13-1318, to suspend the sale of retail marijuana until voters approve new taxes sufficient to fund the state's cost to regulate marijuana.

SCR 13-003 was debated in the Senate Business, Labor, and Technology committee and referred to the full Senate. It was not brought up on the calendar for debate.

Provide additional funding for senior services. One bill enacted by the General Assembly, **Senate Bill 13-127**, transfers state sales and use tax revenue to the Older Coloradans Cash Fund. Under current law, a portion of state sales and use taxes is allocated to the Old Age Pension Fund and \$8 million is diverted to the Older Coloradans Cash Fund. SB 13-127 increases the diversion by \$2 million to a total of \$10 million per year beginning in FY 2013-14.

Propose additional funding for transportation. Senate Bill 09-228 requires a five-year block of transfers to transportation (and capital construction) as soon as Colorado personal income increases by at least 5.0 percent during or after calendar year 2012. Colorado personal income is expected to increase by 5.0 percent in 2013, triggering the first year of transfers in FY 2014-15. An estimated \$187.9 million, or 2.0 percent of General Fund revenue, is expected to be transferred to the Highway Users Tax Fund in FY 2014-15.

House Bill 13-1116, postponed indefinitely, would have allocated a portion of future state sales and use tax net revenue growth that occurred during fiscal years before the first fiscal year in which Senate Bill 09-228 transfers begin. The bill would have required the state treasurer to transfer \$10 million per year from the General Fund to the Highway Users Tax Fund when certain economic growth figures were met.

Collection of state sales and use taxes for online sales. The federal Marketplace Fairness Act (MFA) of 2013 (S. 743), grants states the authority to compel online and catalog retailers (no matter where they are located) to collect sales tax at the time of a transaction. States are only granted this authority after they have simplified their sales tax laws, which Colorado does not have. **House Bill 13-1295** was enacted to meet the simplification requirements for online and catalog sales in the MFA. If the federal legislation is not adopted in 2013, but a version is adopted in the future, HB 13-1295 will apply.

If the MFA is enacted by Congress, the DOR will be responsible for collecting and auditing sales taxes from out-of-state retailers. Distributions by the DOR are required to the appropriate local taxing jurisdictions in the fiscal year after Congress enacts federal legislation. As of August 2013, The federal MFA has passed in the U.S. Senate but it has not been scheduled for a vote in the U.S. House of Representatives. House Bill 13-1295 does not impact how sales made by Colorado retailers are administered.

For purposes of Colorado state sales taxes, nexus is the actual physical location or presence within the state even if the business is based in another state. The definition of nexus is important because it determines whether a business has to comply with Colorado state sales tax laws. Simply said, establishing nexus for purposes of Colorado state sales tax law would require that a retailer or manufacturer selling goods to consumers have an office, store, warehouse, or other place of business, or representative or agent selling in Colorado. When nexus is established, state sales taxes must be collected and remitted to the state. **House Bill 13-1312**, postponed indefinitely, would have expanded the definition of "nexus" for sales tax purposes, broadening the types of business activities that would require the collection and remitting of state sales taxes. Specifically, the expanded definition would include certain methods of delivering a taxable good or providing services through an agreement with an in-state company. It is possible that the expanded definition of nexus would have made most online retailers collect Colorado sales taxes.

Administration of state sales and use taxes. One bill enacted by the General Assembly, **House Bill 13-1009**, affects the administration of state sales and use taxes. In 2011, following a dispute over the deadline for claiming a refund of overpaid sales and use taxes, the statute concerning refunds was amended to extend the period for claiming a refund to three years. However, that bill omitted certain types of refunds, which instead defaulted to the general two-year statutory limitation on civil actions. HB 13-1009 extends the three-year statute of limitations to all sales and use tax refunds.

State and local government sales tax bases. **House Bill 13-1288**, enacted, requires the DOR, with collaboration from organizations that represent counties and municipalities, to prepare a report by December 31, 2013. The report is required to identify the sales tax exemptions for each jurisdiction across the state, estimate the revenue associated with each exemption, determine how a uniform sales tax base can be revenue neutral for the state and local taxing jurisdictions, and make recommendations to the General Assembly regarding the establishment of a uniform sales tax base.

Another bill enacted by the legislature, **House Bill 13-1272**, affects the state sales tax base and the base of certain special districts. The bill makes the sales tax bases of the Regional Transportation District and Scientific and Cultural Facilities District identical to the state base.

Modify or create state sales and use tax exemptions. The legislature adopted one bill affecting the state sales tax exemption for cigarettes. Prior to July 1, 2009, cigarettes were exempt from state sales and use taxes. Through various legislative actions, cigarettes were subject to the state sales and use tax from July 1, 2009, through June 30, 2013. Under current law, cigarettes become exempt from state sales and use taxes beginning July 1, 2013. The cigarette sales and use tax exemption does not impact the cigarette excise tax. **House Bill 13-1144** eliminates the state sales and use tax exemption for cigarettes. The exemption for local taxing jurisdictions is unchanged.

Another bill, **House Bill 13-1151**, postponed indefinitely, would have created a state sales and use tax exemption for higher education textbooks on the fourth Monday of August for the next five years. In order to qualify for the exemption, new, used, or electronic textbooks must be required or recommended for a course of higher education and purchased from the campus bookstore.

One bill, **House Bill 13-1059**, postponed indefinitely, would have exempted from state sales and use taxes any equipment used by a telecommunications company to provide broadband internet services in Colorado.

Under current law, food for home consumption is exempt from the state sales and use tax. Generally, the current exemption applies to groceries. **Senate Bill 13-045**, postponed indefinitely, would have extended the sales and use tax exemption to food for immediate consumption or prepared food. Typically, this food is purchased at restaurants, the deli counter of the grocery store, cafeterias, convenience stores, and from caterers.

Another bill, **House Bill 13-1150**, postponed indefinitely, would have created a sales and use tax holiday (temporary exemption) for disaster preparedness items the first weekend in September of 2013, 2014, and 2015. Exempted items would have included batteries, weather radios, duct tape, first aid kits, flashlights, shovels, gas cans, coolers, artificial ice, and bottled water up to a limit of \$60 for each item.

Property Taxes

The legislature debated several bills during the 2013 session that affect property taxes paid on real and personal property.

Residential assessment rate. The Colorado Constitution requires the General Assembly to establish the ratio of valuation of assessment for residential real property, or the residential assessment rate, every two years. This requirement is known as the Gallagher Amendment. **House Bill 13-1319**, enacted, established the residential assessment rate at 7.96 percent for tax years 2013 and 2014, the same rate that has been in place since 2003.

Property tax protest process. **House Bill 13-1113** affects the protest process for property taxes. Under current law, taxpayers may dispute an assessor's valuation by filing a protest with the county board of equalization in May of each year. Currently, taxpayers that do not file a protest may dispute a property tax bill by filing an abatement petition with the board of county commissioners. HB 13-1113 authorizes the City and County of Denver, at the request of the assessor and if approved by the city council, to implement a pilot alternate appeal process for disputes concerning the valuation of taxable property.

Senior Homestead Exemption. The legislature enacted one measure and postponed indefinitely another bill that affected the senior homestead exemption. Colorado voters approved adding the senior homestead exemption to the Colorado Constitution in November 2000.

Under current law, county assessors send notice of the exemption to all residential addresses in the county. Applications for the exemption must be filed by July 15 of each year, but persons who receive a waiver from the filing deadline at the discretion of the reviewing agency may file after the late filing deadline for good cause. **House Bill 13-1145** authorizes county treasurers to notify taxpayers about the availability of the senior property tax exemption in a mailing or electronic distribution that coincides with the annual mailing of tax bills. The bill also eliminates the discretion of assessors to reject late applications prior to the late filing deadline or to accept late applications after that date.

House Concurrent Resolution 13-1001 would have expanded the Senior Homestead Exemption, but was postponed indefinitely. The resolution would have submitted a referred measure to the 2014 state ballot to amend the State Constitution to allow residential property owners who have qualified for the senior property tax exemption to maintain the exemption if the owner moves to a new residence because of a medically verified ailment.

Nonprofit exemption. **House Bill 13-1246** exempts certain properties from property taxes. Under current law, property owners that use real or personal property for charitable purposes may seek an exemption from property taxation by submitting an application to the Division of Property Taxation in the Department of Local Affairs. HB 13-1246 exempts properties sold to low income households for construction or rehabilitation after the transfer of the property from nonprofit housing providers. The tax exempt status of such properties may continue for up to one year after the sale.

Business personal property tax. The legislature debated two measures pertaining to business personal property taxes, neither of which were adopted. Business personal property taxes are levied on equipment that is used in income-producing enterprises. As examples, it includes machinery, furniture, computers, and office supplies, as well as utilities, telecommunications, and pipelines. Under current law, the property tax exemption for business

personal property on a single personal property schedule is \$7,000 for property tax years 2013 and 2014, and an inflation-adjusted amount every two years thereafter.

House Bill 13-1174 would have increased the exemption to \$25,000 for property tax years 2015 and 2016 and \$50,000 for property tax years 2017 and 2018, adjusted biennially for inflation thereafter. Beginning in property tax year 2015, the bill also would have exempted all locally assessed business personal property that is fully depreciated. Under current law, business personal property that is fully depreciated is still subject to property taxation. Another bill, **House Bill 13-1177**, would have exempted from property tax the first \$7,000 of actual value in tax years 2013 and 2014 and an inflation adjusted amount thereafter.

Business incentive agreements (BIAs). Local governments can offer businesses in Colorado property tax incentives based on the amount of increased property taxes for qualifying new business activity in their jurisdictions. Local governments engage in this practice by using BIAs that are authorized by either the state Constitution or statute. These agreements serve as an economic development tool that allows any taxpayer who establishes a new business facility in a county (or other local government), a tax reduction in terms of business personal property taxes in an effort to stimulate the economy. Under current law, where a taxpayer has established a new or expanded business facility, local governments may, for a term of up to 10 years, enter into a BIA that provides a taxpayer an incentive payment or credit up to the amount of the taxpayer's personal property tax liability.

House Bill 13-1206 modifies the cap for statutory business incentive agreements applicable to counties, municipalities, and special districts. The bill adds authority for such BIAs to be formed with any taxpayer that the local government determines, based on verifiable documentation, is at risk of relocating a business facility from within the local jurisdiction to a location outside of Colorado.

Excise and Gaming Taxes

In addition to policy changes that impact state income, sales, and local government property taxes, the legislature enacted other tax policy measures that impact General Fund and cash fund revenue.

Colorado's medical and recreational marijuana industry. Amendment 64, passed by the voters in November 2012, allows for an adult 21 years or older to consume or possess up to 1 ounce of marijuana and requires that a regulatory structure be established. Beginning January 1, 2014, the cultivation, processing, and retail sale of marijuana is allowed in Colorado, except in cities or counties that have voted to ban the sale of recreational marijuana. Until October 2014, the sale of recreational marijuana is restricted to vendors currently licensed to sell medical marijuana. **House Bill 13-1318**, enacted, creates an excise tax (see sales tax section on marijuana) of up to 15 percent of the average market rate of the unprocessed retail marijuana on its first sale or transfer from a cultivation facility to a retail store, product manufacturing facility, or other cultivation facility. Revenue under this ballot question is exempt from the revenue, spending, or appropriations limitation in the state Constitution. The revenue raised by this excise tax will be deposited in a fund for school construction.

Gaming taxes. Under current law, money from gaming taxes is distributed to the General Fund and cash funds. Money in these cash funds are used for historic preservation purposes (State Historic Fund), community colleges, and economic development programs. **Senate Bill 13-133**, enacted by the legislature, affects the distribution of gaming revenue to the General Fund and certain economic development programs. This bill reduced General Fund distributions in FY 2012-13 from \$20.4 million to \$11.1 million and increased transfers to economic development programs from \$22.5 million to \$30 million.

Legislation Affecting State Fees

During the 2013 session, 38 bills were adopted eliminating, modifying, or creating new state fees, including eight bills that continued existing fees at current levels. Table 5 lists these bills, by fund name, as well as ten state fee bills that were postponed indefinitely. The total estimated revenue impact of all bills adopted during the 2013 session that modify state fees is \$14.8 million for FY 2013-14 and \$22.1 million for FY 2014-15.

Table 5
Legislation Affecting State Fees

| Fee Fund | Bill Number | Change in Fee Amount | FY 2013-14 Fiscal Impact | FY 2014-15 Fiscal Impact |
|---|-------------|----------------------|--------------------------|--------------------------|
| Enacted Bills | | | | |
| Building Regulation | HB 13-1280 | \$1,011.00 | \$338,854 | \$0 |
| CBI Identification Unit | SB 13-123 | 67.48 | 617,682 | 617,682 |
| | HB 13-1277 | 39.50 | 0 | 24,687 |
| | HB 13-1317 | 0.00 | 158,751 | 147,849 |
| Colorado Domestic Abuse Program | SB 13-011 | 20.00 | 31,000 | 26,000 |
| Colorado State Titling and Registration | SB 13-280 | 0.65 - 25.00 | 0 | 271,800 |
| Community Association Manager Licensing | HB 13-1277 | 330.00 | 0 | 206,250 |
| Conservation Easement Tax Credit Certificate Review | SB 13-221 | 800.00 to 3,000.00 | 315,000 | 400,000 |
| Court Security Cash | SB 13-123 | 5.00 | 2,500 | 2,500 |
| Department of Natural Resources | HB 13-1248 | 500.00 to 3,000.00 | 24,000 | 25,000 |
| Division of Professions and Occupations | SB 13-026* | \$6.50 | \$211,250 | \$211,250 |
| | SB 13-039 | 145.00 to 267.00 | 126,903 | 4,350 |
| | SB 13-151* | 17.34 to 23.34 | 31,212 | 322,092 |
| | SB 13-162* | 34.00 | 298,720 | 298,720 |
| | SB 13-172 | 4.45 | 5,024 | 11,000 |
| | SB 13-180 | 34.00 to 166.00 | 41,500 | 97,530 |
| | SB 13-238 | 100.00 to 360.00 | 42,400 | 1,000 |
| | HB 13-1111 | 925.00 to 1,185.00 | 111,000 | 144,975 |

**Table 5 (Cont.)
Legislation Affecting State Fees**

| Fee Fund | Bill Number | Change in Fee Amount | FY 2013-14 Fiscal Impact | FY 2014-15 Fiscal Impact |
|---|---------------|----------------------|--------------------------|--------------------------|
| Enacted Bills (Cont.) | | | | |
| Economic Gardening Pilot Project | HB 13-1003 | 750.00 | 18,750 | 0 |
| Electric Vehicle Grant | HB 13-1110 | 20.00 | 55,781 | 142,609 |
| General Fund | SB 13-123 | 169,000.00 | 84,500 | 84,500 |
| | SB 13-120 | 25.00 | 1,500 | 250 |
| Highway Users Tax Fund | SB 13-224 | 25.00 | 25,000 | 2,500 |
| | HB 13-1011** | 15.00 | (73,584) | (82,125) |
| | HB 13-1110 | 30.00 | 83,672 | 213,914 |
| Identification Unit | SB 13-251 | 21.00 | 0 | 27,914 |
| Illegal Drug Laboratory | SB 13-219 | 200.00 to 500.00 | 90,000 | 38,000 |
| Instant Criminal Background Check | HB 13-1228 | 7.50 | 2,475,000 | 2,772,500 |
| Judicial Stabilization | SB 13-123 | 200.00 | 100,000 | 100,000 |
| Justice Center | SB 13-123 | 68.00 | 34,000 | 34,000 |
| License Plate | SB 13-120 | 5.92 | 355 | 59 |
| | SB 13-224 | 5.92 | 5,920 | 592 |
| Licensing Services | SB 13-120 | 25.00 | 1,500 | 250 |
| | SB 13-224 | 2,500.00 | 25,000 | 2,500 |
| | SB 13-251 | 21.00 | 0 | 949,069 |
| Low-income Telephone Assistance | SB 13-194** | 0.84 | (725,548) | (725,548) |
| LPG and Natural Gas Inspection | HB 13-1110*** | 0.00 | 50,404 | 101,695 |
| Miscellaneous Funds | HB 13-1071* | 137.52 | 4,480,667 | (2,412,819) |
| Marijuana Cash Fund | HB 13-1317 | TBD | 2,250,000 | 2,750,000 |
| Peace Officer Standards Training Board | SB 13-111 | 100.00 | 12,500 | 12,500 |
| Recycling Resources Economics Opportunity | SB 13-050* | .02 to .07 | 207,498 | 622,494 |
| State Highway Fund | HB 13-1132** | 70.00 to 100.00 | (100,000) | (100,000) |
| Vital Statistics Records | SB 13-011 | \$3.00 | \$4,650 | \$3,900 |
| Wildlife Cash | HB 13-1232*** | 0.00 | (10,584) | (10,584) |
| Subtotal, Enacted Bills | | \$177,270.64 | \$11,452,777 | \$7,340,855 |

**Table 5 (Cont.)
Legislation Affecting State Fees**

| Fee Fund | Bill Number | Change in Fee Amount | FY 2013-14 Fiscal Impact | FY 2014-15 Fiscal Impact |
|---|---------------|----------------------|--------------------------|--------------------------|
| Enacted Bills, Existing Fee Authorized to Continue | | | | |
| Division of Banking | SB 13-171 | \$0.00 | \$0 | \$223,000 |
| Division of Financial Services | SB 13-159 | 0.00 | 0 | 1,385,613 |
| Division of Professions and Occupations | SB 13-161 | 0.00 | 0 | 1,237,300 |
| Division of Real Estate | SB 13-155 | 0.00 | 0 | 1,682,280 |
| General Fund | SB 13-150 | 0.00 | 0 | 16,055 |
| Mortgage Company and Loan Originator Licensing | SB 13-156 | 0.00 | 0 | 2,400,000 |
| Stationary Sources Control | SB 13-152 | 0.00 | 0 | 1,182,914 |
| Wildlife Cash Fund | SB 13-175 | 0.00 | 3,300,000 | 6,600,000 |
| Subtotal, Enacted Bills, Existing Fee Authorized to Continue | | \$0.00 | \$3,300,000 | \$14,727,162 |
| Grand Total, All Enacted Bills | | \$177,270.64 | \$14,752,777 | \$22,068,017 |
| Postponed Indefinitely | | | | |
| Division of Professions and Occupations | SB 13-259 | 170.00 | 42,500 | 42,500 |
| | HB 13-1133*** | varies | 0 | (19,904) |
| Fixed Utility Fund | HB 13-1218* | increase | 861,158 | 831,258 |
| Highway Users Tax Fund Air Account | SB 13-061*** | 0.00 | (200,000) | (200,000) |
| Highway Users Tax Fund | SB 13-068 | (28.00) to 10.00 | (12,100,000) | (12,200,000) |
| | SB 13-128*** | (25.00) | (90,575) | (90,575) |
| | HB 13-1161 | (2.00) to 76.00 | (127,130) | (127,130) |
| Identification Security Cash Fund | SB 13-259 | 39.50 | 9,875 | 9,875 |
| Identification Cash fund | HB 13-1169*** | 0.00 | 1,442,245 | 3,245,051 |
| Instacheck Unit | HB 13-1169*** | 0.00 | 842,660 | 1,895,985 |
| Judicial Stabilization Cash Fund | HB 13-1214* | 14.00 | 51,240 | 51,240 |
| Licensing Services Cash Fund | SB 13-128*** | (25.00) | (90,575) | (90,575) |
| Offender Services Fund | HB 13-1214*** | 50.00 | 178,200 | 356,400 |
| Solid Waste Management Fund | SB 13-057 | decrease | (50,000) | (50,000) |
| Statewide Bridge Enterprise Special Revenue Fund | HB 13-1161 | 61.00 | 10,246 | 10,246 |
| Victim Assistance Fund | HB 13-1214* | \$85.00 | \$260,388 | \$260,388 |
| Subtotal, Postponed Indefinitely | | \$339.50 | (\$8,959,768) | (\$6,075,241) |

*Increase to existing fee.

**Reduction in fee revenue due to partially or fully discontinued program or fee.

***Change in application of existing fee.

TBD = To be determined.