

SB228_L.001

SENATE COMMITTEE OF REFERENCE REPORT

 Chairman of Committee

 Date
Committee on Finance.

After consideration on the merits, the Committee recommends the following:

SB09-228 be amended as follows:

- 1 Amend printed bill, page 27, strike lines 19 through 27.
- 2 Strike page 28.
- 3 Page 29, strike lines 1 through 20 and substitute the following
 - 4 "SECTION 25. 39-26-123 (4) and (5), Colorado Revised
 - 5 Statutes, are amended to read:
 - 6 **39-26-123. Receipts - disposition - transfers of general fund**
 - 7 **surplus - sales and use tax holding fund - creation - definitions.**
 - 8 (4) (a) ~~Except as otherwise provided in sub-subparagraph (B) of~~
 - 9 ~~subparagraph (VI) of this paragraph (a),~~ all moneys in the sales and use
 - 10 tax holding fund shall be transferred to the highway users tax fund, as a
 - 11 portion of the sales and use taxes attributable to sales or use of vehicles
 - 12 and related items. ~~as follows:"~~;
 - 13 line 21, strike "(I) If" and substitute "(f) If".
 - 14 Page 30, line 5, strike "(II) If" and substitute "(ff) If";
 - 15 line 19, strike "(III) If" and substitute "(HH) If".
- 16 Page 31, strike lines 5 through 27.
- 17 Page 32, strike lines 1 through 10 and substitute the following:



1 ~~"(IV) If the revenue estimate prepared by the staff of the~~
2 ~~legislative council in December of state fiscal year 2007-08 or in~~
3 ~~December of any succeeding state fiscal year indicates that the amount of~~
4 ~~total general fund revenues for the state fiscal year will be sufficient to~~
5 ~~maintain the four percent reserve required by section 24-75-201.1 (1) (d)~~
6 ~~(III), C.R.S., on February 1 of the fiscal year the state treasurer shall~~
7 ~~transfer from the sales and use tax holding fund to the highway users tax~~
8 ~~fund an amount equal to the lesser of:~~

9 ~~(A) Fifty percent of the amount estimated in the December~~
10 ~~revenue estimate to be accrued and transferred to the highway users tax~~
11 ~~fund pursuant to this section for the entire fiscal year; or~~

12 ~~(B) The balance of the sales and use tax holding fund.~~

13 ~~(V) If the revenue estimate prepared by the staff of the legislative~~
14 ~~council in March of state fiscal year 2007-08 or in March of any~~
15 ~~succeeding state fiscal year indicates that the amount of total general fund~~
16 ~~revenues for the state fiscal year will be sufficient to maintain the four~~
17 ~~percent reserve required by section 24-75-201.1 (1) (d) (III), C.R.S., on~~
18 ~~April 15 of the fiscal year the state treasurer shall transfer from the sales~~
19 ~~and use tax holding fund to the highway users tax fund the lesser of:~~

20 ~~(A) The amount needed to ensure that the cumulative amount~~
21 ~~transferred from the sales and use tax holding fund to the highway users~~
22 ~~tax fund through April 15 equals seventy-five percent of the amount~~
23 ~~estimated in the March revenue estimate to be accrued and transferred to~~
24 ~~the highway users tax fund pursuant to this section for the entire fiscal~~
25 ~~year; or~~

26 ~~(B) The balance of the sales and use tax holding fund.~~

27 ~~(VI) (A) Effective June 30 of state fiscal year 2006-07, and~~
28 ~~effective June 30 of each state fiscal year thereafter, the state controller~~
29 ~~shall accrue all moneys in the sales and use tax holding fund as of that~~
30 ~~date to the highway users tax fund:~~

31 ~~(B) Notwithstanding the provisions of sub-subparagraph (A) of~~
32 ~~this subparagraph (VI), the state controller shall reduce the amount~~
33 ~~accrued to the highway users tax fund pursuant to said sub-subparagraph~~
34 ~~and accrue moneys in the sales and use tax holding fund to the general~~



1 fund to the extent necessary to ensure that the amount of general fund
2 revenues for the state fiscal year is sufficient to maintain the four percent
3 reserve required by section 24-75-201.1 (1) (d) (III), C.R.S.

4 ~~(C) The state treasurer shall transfer, out of the amounts accrued~~
5 ~~by the state controller pursuant to sub-subparagraphs (A) and (B) of this~~
6 ~~subparagraph (VI), on September 20, 2007, and on September 20 of each~~
7 ~~succeeding fiscal year, the amounts needed to ensure that the cumulative~~
8 ~~amounts required to be accrued and transferred from the sales and use tax~~
9 ~~holding fund to the highway users tax fund and, if applicable to the~~
10 ~~general fund, equal ninety percent of the aggregate amounts required to~~
11 ~~be accrued and transferred to the funds pursuant to this section for the~~
12 ~~entire preceding fiscal year. The state treasurer shall transfer the~~
13 ~~remainder of the amounts accrued pursuant to said sub-subparagraphs on~~
14 ~~the date on which the state controller distributes the comprehensive~~
15 ~~annual financial report of the state.~~

16 (b) If a change in tax policy resulting in a significant reduction of
17 general fund revenues is implemented, the general assembly shall:

18 ~~(f) Examine the exception set forth in sub-subparagraph (B) of~~
19 ~~subparagraph (VI) of paragraph (a) of this subsection (4) to the general~~
20 ~~requirement set forth in paragraph (a) of this subsection (4) that all~~
21 ~~moneys in the sales and use tax holding fund be accrued and transferred~~
22 ~~to the highway users tax fund and determine whether the exception should~~
23 ~~be modified in light of the change; and~~

24 ~~(H) Examine the amount of sales and use taxes credited to the".~~

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