

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING THE SUSPENSION OF THE EXEMPTION FROM THE STATE SALES AND USE TAXES FOR FUELS USED FOR INDUSTRIAL PURPOSES, AND MAKING AN APPROPRIATION THEREFOR.

Prime Sponsors: Representative Pommer
Senator Heath

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Summary of Amendments Made to the Bill After the 02/04/10 Legislative Council Staff Revised Fiscal Note Was Prepared (Amended by the Senate Finance Committee 02/04/10)

The Senate Finance Committee Report modifies the language specifying that local jurisdictions that levy sales and use taxes shall not be affected in any way by the elimination, suspension, or modification of any sales and use tax base resulting from the enactment of this bill, nor does the bill expand the authority of any local jurisdiction to levy sales and use taxes.

These changes do not affect the fiscal impact of the bill described in the attached Legislative Council Staff Revised Fiscal Note. Legislative Council Staff agrees with this assessment.

JBC Staff Concurrence with Legislative Council Staff Fiscal Note

Concurs **Does Not Concur** **Updated Analysis**

Amendments/Appropriation Status

The bill includes an appropriation clause that provides an appropriation of \$94,322 General Fund and 0.9 FTE to the Department of Revenue for FY 2009-10 for implementation of this bill.

The appropriation clause for this bill is independent of the enactment of any other bill. If other similar bills affecting sales tax exemptions are enacted, with the same effective date, the aggregate costs of implementing those bills will be combined, and the aggregate expenditure is expected to be the cost of one enacted bill. If more than one bill passes regarding sales tax exemptions, the total appropriation will be reduced through a provision in the 2010 Long Bill.

The bill will require \$1,570 General Fund for programming costs to adjust the state's computer systems for the elimination of this exemption. The Department of Revenue does not require an appropriation for the programming costs in this bill because the FY 2009-10 Long Bill includes an appropriation to the Department of Revenue to implement legislation that requires computer programming hours. This appropriation will require an adjustment through a provision in the 2010

Long Bill in order to cover the expenditures required by this bill (and any other similar bills that pass).

Bill Sponsor Amendments

Staff is not aware of any sponsor amendments to be offered.

Points to Consider

None.