

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING MODIFICATIONS TO THE COLORADO INNOVATION INVESTMENT TAX CREDIT.

Prime Sponsors: Representative Kefalas
Senator Newell

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Summary of Amendments Made to the Bill After the 02/1/11 Legislative Council Staff Revised Fiscal Note Was Prepared (Amended by the House Finance Committee 02/09/11)

The House Finance Committee Report inserts a provision into the bill that repeals the program on July 1, 2011 unless the House or Senate Appropriations Committee has identified a decrease in General Fund appropriations or increase in revenue for the fiscal year that the tax credit would be available.

JBC Staff Concurrence with Legislative Council Staff Fiscal Note

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

Amendments/Appropriation Status

The bill requires but does not contain an appropriation clause. Staff has prepared amendment **J.001** (attached) to add a provision appropriating \$35,398 cash funds and 0.5 FTE from the Colorado Innovation Investment Tax Credit Cash Fund to the Governor's Office of Economic Development and International Trade for the administrative costs of the program.

Bill Sponsor Amendments

Sponsor amendment **L.007** (attached) strikes the Finance Committee Report, dated February 9, 2011, and adds a provision expanding the Colorado Innovation Investment Tax Credit program for one additional year to continue in 2011 and into the future if funding is available.

Sponsor amendment **L.008** (attached) strikes the Finance Committee Report, dated February 9, 2011, and adds a provision to the printed bill to transfer \$200,000 from the Department of State Cash Fund to the Colorado Innovation Investment Tax Credit Cash Fund to fund the program in FY 2010-11 and FY 2011-12.

If either **L.007** or **L.008** is adopted, the appropriation clause contained in **J.001** must be adopted, as well.

Points to Consider

1. As amended by the House Finance Committee Report, General Fund revenue would decrease by \$100,000 in FY 2010-11 and \$100,000 in FY 2011-12. The House or Senate Appropriations Committee must identify a decrease in General Fund appropriations or increase in revenue for the fiscal year that the tax credit would be available to offset the lost revenue.
2. As amended by **L.007**, General Fund revenue would decrease by an unspecified amount based on the amount of funds received for the program. The decrease in General Fund revenue would be offset by the funds received for the program.
3. As amended by **L.008**, General Fund revenue would decrease by \$100,000 in FY 2010-11 and \$100,000 in FY 2011-12. The decrease in General Fund revenue would be offset by \$200,000 from the Department of State Cash Fund.