

Colorado Legislative Council Staff Fiscal Note

STATE
FISCAL IMPACT

Drafting Number: LLS 10-0204
Prime Sponsor(s): Rep. Roberts
 Sen. Sandoval

Date: January 19, 2010
Bill Status: House Finance
Fiscal Analyst: Leora Starr (303-866-4105)

TITLE: CONCERNING THE ADDITION OF A LINE TO COLORADO STATE INDIVIDUAL INCOME TAX RETURN FORMS WHEREBY INDIVIDUAL TAXPAYERS MAY MAKE A VOLUNTARY CONTRIBUTION BENEFITTING THE COLORADO 2-1-1 FIRST CALL FOR HELP FUND.

Fiscal Impact Summary	FY 2010-2011	FY 2011-2012
State Revenue Colorado 2-1-1 First Call for Help Fund		>\$5,000
State Expenditures General Fund* Cash Fund Colorado 2-1-1 First Call For Help Fund	\$30,443 \$107	 \$107
Effective Date: August 11, 2010, assuming the General Assembly adjourns May 12, 2010, as scheduled and no referendum petition is filed.		
Appropriation Summary for FY 2010-2011: See State Appropriation Section.		
Local Government Impact: None.		

** No separate appropriation of these funds is required because of ongoing appropriations to the Department of Revenue for computer programming provided in the Long Bill for new legislation.*

Summary of Legislation

This bill creates a new income tax return checkoff to collect donations for Colorado 2-1-1, a health and human services referral service for Colorado citizens.

For income tax years 2010 through 2012, the checkoff would be added to the Colorado income tax form as a voluntary contribution. After subtracting the Department of Revenue's costs to administer contributions, the remaining moneys would be transferred to the Mile High United Way for operating Colorado 2-1-1.

The bill will be repealed on January 1, 2014.

Background

The current 14 income tax checkoffs on the 2008 individual state income tax return received \$1.7 million in contributions from nearly 170,000 donations. According to 39-22-1001 C.R.S., the total amount contributed to a checkoff must be greater than or equal to \$75,000 between January 1 and September 30 during the period for which moneys are collected for the third income tax year in which the contribution appears on the Colorado income tax form. Otherwise, the checkoff will not appear on the form in the following year. Table 1 provides summary information on these checkoff programs for FY 2008-09.

Table 1: Value of Individual Income Tax Checkoffs for FY 2008-09 (2008 tax year)

Tax Checkoffs	Number of Donations	Total Donations	Average Donation
Military Family Relief Fund	14,779	\$213,982	\$14.48
Colorado Nongame and Endangered Wildlife Fund	18,954	210,200	11.09
Pet Overpopulation Fund	16,839	183,716	10.91
Colorado Domestic Abuse Fund	16,588	176,729	10.65
Colorado Homeless Prevention Activities Fund	14,977	162,059	10.82
Special Olympics Colorado Fund	12,980	139,097	10.72
Alzheimer's Association Fund	11,715	117,685	10.05
Breast and Women's Reproductive Cancer Fund	12,668	115,009	9.08
Colorado Healthy Rivers Fund*	11,611	97,482	8.40
Multiple Sclerosis Fund	9,331	86,978	9.32
Adult Stem Cells Cure Fund**	9,694	70,834	7.31
9Health Fair Fund**	7,499	53,814	7.18
Western Colorado State Veterans' Cemetery Fund	6,133	41,802	6.82
Colorado Easter Seals Fund***	5,943	40,476	6.81
Make-A-Wish Foundation of Colorado Fund****	0	0	0
Totals	169,711	\$1,709,863	\$10.08

* This checkoff was formerly named the Colorado Watershed Protection Fund..

** These income tax checkoffs are new and reflect collections from January 2009 through June 2009.

*** This checkoff no longer appears on the individual income tax form.

**** This checkoff first appeared on the 2009 state income tax form, thus collection data is not available.

State Revenue

The number and value of contributions to an income tax checkoff that would benefit the Colorado 2-1-1 First Call for Help Fund is unknown but is expected to be more than \$5,000.

State Expenditures

Expenditures for the Department of Revenue are expected to increase \$30,550 in FY 2010-11 and \$107 in FY 2011-12 based on the following assumptions.

In FY 2010-11, the department will add a new checkoff to the income tax form which will require \$30,443 General Fund for computer programming. No appropriation is necessary because of ongoing appropriations to the department for computer programming provided in the Long Bill for new legislation. The department estimates that \$107 would be needed for FY 2010-11 and FY 2011-12 from the Colorado 2-1-1 First Call for Help Fund for data entry costs.

State Appropriations

The Department of Revenue requires an appropriation of \$107 in FY 2010-11 from the Colorado 2-1-1 First Call for Help Fund.

Departments Contacted

Revenue