

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE REGISTRATION OF MOBILE MACHINERY IN ORDER TO PAY SPECIFIC OWNERSHIP TAX.

Prime Sponsors: Representative Bradford

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Summary of Amendments Made to the Bill After the 04/05/10 Legislative Council Staff Revised Fiscal Note Was Prepared (Amended by the House Appropriations Committee 04/09/10)

The House Appropriations Committee, on April 9, 2010, adopted two amendments before laying the bill over. The amendments changed the effective date of the bill and added an appropriations clause. Compared to the Legislative Council Staff Revised Fiscal Note dated April 5, 2010, the amendments reduced the required appropriation, and increased the revenue to the Highway Users Tax Fund and other cash funds, and delayed the loss of Specific Ownership Taxes (SOT) at the local level, thus reducing the need for General Fund or State Education Fund backfill of the lost local SOT.

JBC Staff Concurrence with Legislative Council Staff Fiscal Note

Concurs

Does Not Concur

Updated Analysis

Reason for Update

Compared to the Legislative Council Staff Revised Fiscal Note dated April 5, 2010, the amendments reduced the required appropriation, and increased the revenue to the Highway Users Tax Fund and other cash funds, and delayed the loss of Specific Ownership Taxes (SOT) at the local level, thus reducing the need for General Fund or State Education Fund backfill of the lost local SOT. Legislative Council Staff agrees with this fiscal assessment.

Amendments/Appropriation Status

The bill includes an appropriation clause that provides an appropriation of \$560 from the License Plate Cash Fund to the Department of Revenue for FY 2010-11 to purchase demonstration license plates for stock in each of the County Clerks offices. These license plates will be produced by Correctional Industries.

The Department of Revenue does not require an appropriation of \$7,846 cash funds from the Colorado State Titling and Registration Account for computer programming costs as identified in the Legislative Council Staff Fiscal Note dated April 5, 2010, because the Long Bill includes an

appropriation for the Department of Revenue to implement legislation that requires computer programming hours. Programming costs for the Department of Revenue to implement legislation are shown in the Long Bill line item titled "Programming Costs for 2010 Session Legislation."

Bill Sponsor Amendments

Sponsor amendment **L.008** (attached) removes reference to the weight of "special mobile machinery" in Section 42-1-102 (93.5) (a), C.R.S. All revenue lost due to the special mobile machinery exemption is now restored, including Specific Ownership Tax (\$304,450 in local revenue annually), registration fees, (\$55,330 annually) and CSTARs set aside (\$810 annually). The restoration of Specific Ownership Tax eliminates the School Finance Act Expenditure in FY 2011-12 (\$88,290 annually). Also, because five fewer programming hours are now required for the bill, programming costs are projected to be \$196 cash funds lower than in the Legislative Council Staff Revised Fiscal Note dated April 5, 2010.

Points to Consider

None.