



Colorado Legislative Council Staff Fiscal Note

NO FISCAL IMPACT

Drafting Number: LLS 11-0705**Date:** February 3, 2011**Prime Sponsor(s):** Sen. Foster
Rep. Murray**Bill Status:** Senate Local Government and Energy
Fiscal Analyst: Alex Schatz (303-866-4375)

TITLE: CONCERNING PERIODS GOVERNING THE APPEAL BY TAXPAYERS IN TAX DISPUTES WITH LOCAL GOVERNMENTS IN CONNECTION WITH THE IMPOSITION OF SALES OR USE TAX BY SUCH GOVERNMENTS.

Summary of Legislation

Under current law, before requesting a hearing at the Department of Revenue, a taxpayer appealing a local government sales and use tax deficiency notice or refund claim denial must exhaust local remedies. This bill defines events that individually constitute an exhaustion of local remedies. The bill authorizes parties in local sales and use tax appeals to extend or accelerate, by written agreement, deadlines for local government action.

The bill takes effect July 1, 2011, and applies to deficiency notices and refund claim denials mailed by a local government on or after the effective date.

Assessment

The bill maintains the basic framework for appeals of certain local sales and use tax decisions and is assessed as having no fiscal impact. Enhanced flexibility in the local appeals process will clarify the rights of parties in certain cases without affecting overall cost to state or local government.

Departments Contacted

Local Affairs

Revenue

Judicial