

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING THE IMPLEMENTATION OF THE MINIMUM SIMPLIFICATION REQUIREMENTS OF THE PROPOSED FEDERAL "MARKETPLACE FAIRNESS ACT OF 2013" IN ORDER FOR THE STATE TO BE AUTHORIZED BY THE FEDERAL GOVERNMENT TO REQUIRE REMOTE SELLERS TO COLLECT SALES TAX ON TAXABLE SALES MADE WITHIN THE STATE.

Prime Sponsors: Representative Ferrandino
Senator Heath

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Date Prepared: May 1, 2013

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Revised Conditional Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/29/13.

XXX	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The Senate Finance Committee Report (04/30/13) includes amendments to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendments do not change the fiscal impact of the bill.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
None.	

Current Appropriations Clause in Bill

The bill includes an appropriation clause that appropriates a total of \$2,502,786 General Fund to the Department of Revenue for FY 2013-14 for computer programming costs, \$2,140,000 is for contract programming to the GenTax (CITA) software system and \$362,786 for the purchase of Computer Center Services from the Governor's Office of Information Technology (OIT). The amendment reappropriates \$362,786 to OIT for provision of programming services and other services to the Department of Revenue. These appropriations are contingent upon the passage of the Federal Marketplace Fairness Act of 2013.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2013-14 based on the March 2013 Office of State Planning and Budgeting revenue forecast. The budget package allocates all but approximately \$9.0 million of General Fund revenues projected to be available. Pursuant to S.B. 13-236, this \$9.0 million General Fund will be transferred to the Colorado Water Conservation Board (CWCB) Construction Fund. This bill requires a General Fund appropriation of \$2,502,786 for FY 2013-14 and increases revenue by \$1.25 million (from a reduction in the vendor fee of 0.105 percentage points), *if the federal Act is enacted*, and thus will reduce the transfer to the CWCB Construction Fund by \$1.25 million.