

**JBC STAFF FISCAL ANALYSIS  
HOUSE 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: April 24, 2013

**Fiscal Impact of Bill as Amended to Date**

The most recent Legislative Council Staff Conditional Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/23/13.

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

The House Finance Committee Report (04/24/13) added standards for the Department of Revenue to include in any contract with certified software providers to implement the bill. The Department of Revenue has stated that they do not believe that the Report has a fiscal impact.

**Amendments in This Packet for Consideration by Appropriations Committee**

<b>Amendment</b>	<b>Description</b>
J.001	Staff-prepared appropriation amendment

**Current Appropriations Clause in Bill**

The bill requires but does not contain an appropriation clause.

**Description of Amendments in This Packet**

**J.001** Staff has prepared amendment **J.001** (attached) to add a provision appropriating a total of \$2,502,786 General Fund to the Department of Revenue for FY 2013-14 for computer programming costs, primarily to the GenTax (CITA) software system (\$2,140,000), as well as \$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**

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*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 (if the federal Act is enacted) and thus will reduce the transfer to the CWCB Construction Fund by that amount.