

First Regular Session
Sixty-third General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 01-0100.01 Gregg Fraser

HOUSE BILL 01-1026

HOUSE SPONSORSHIP

Ragsdale, and Young

SENATE SPONSORSHIP

Teck, and Evans

House Committees

Finance

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE AUTHORITY OF THE EXECUTIVE DIRECTOR OF THE
102 DEPARTMENT OF REVENUE TO GRANT A CREDIT TO A PERSON
103 WHO ELECTRONICALLY FILES A DOCUMENT WITH THE
104 DEPARTMENT OF REVENUE.

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Management, Storage, Retrieval, and Archiving of State Records. Authorizes the executive director of the department of revenue to grant credits to people who file the following documents electronically with the department:

- State income tax returns;

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

- State wage withholding returns;
- State sales tax returns;
- Applications for new sales tax licenses; and
- Applications to register new trade names.

Specifies the amount of each credit and when the returns must be filed. Prohibits the credits from being refunded or carried forward. Provides that the executive director of the department of revenue shall have the discretion to determine whether each credit is granted based upon specified standards.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** Part 1 of article 21 of title 39, Colorado Revised
 3 Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

4 **39-21-121. Credit for the electronic filing of returns and other**
 5 **documents - repeal.** (1) NOTWITHSTANDING ANY OTHER PROVISION TO
 6 THE CONTRARY, THE EXECUTIVE DIRECTOR SHALL HAVE THE AUTHORITY TO
 7 GRANT CREDITS AS PROVIDED IN THIS SECTION TO PERSONS WHO
 8 ELECTRONICALLY FILE DOCUMENTS WITH THE DEPARTMENT ON OR AFTER
 9 JANUARY 1, 2001, BUT PRIOR TO JANUARY 1, 2006, AS FOLLOWS:

10 (a) FOR AN INDIVIDUAL INCOME TAX RETURN MADE PURSUANT TO
 11 SECTION 39-22-601 (1), THAT IS FILED ELECTRONICALLY, THE EXECUTIVE
 12 DIRECTOR MAY GRANT A CREDIT AGAINST THE INCOME TAX LIABILITY
 13 REFLECTED IN THE RETURN IN AN AMOUNT EQUAL TO TEN DOLLARS;

14 (b) FOR AN EMPLOYER REMITTING WITHHOLDING TAX PURSUANT TO
 15 SECTION 39-22-604, THE EXECUTIVE DIRECTOR MAY GRANT A CREDIT
 16 AGAINST THE AMOUNT REMITTED TO THE DEPARTMENT IN AN AMOUNT
 17 EQUAL TO FIVE DOLLARS FOR EACH RETURN FILED ELECTRONICALLY WITH
 18 THE DEPARTMENT;

19 (c) FOR AN APPLICATION FOR A NEW SALES TAX LICENSE THAT IS
 20 FILED ELECTRONICALLY, THE EXECUTIVE DIRECTOR MAY GRANT A CREDIT

1 IN AN AMOUNT EQUAL TO SIXTEEN DOLLARS TO BE CREDITED TOWARD THE
2 APPLICATION FEE FOR SUCH LICENSE IMPOSED PURSUANT TO SECTION
3 39-26-103 (1) (c);

4 (d) FOR A SALES TAX RETURN FILED ELECTRONICALLY PURSUANT
5 TO ARTICLE 26 OF THIS TITLE, THE EXECUTIVE DIRECTOR MAY GRANT A
6 CREDIT IN AN AMOUNT EQUAL TO FIVE DOLLARS AGAINST THE STATE SALES
7 TAX REMITTED WITH SUCH RETURN; AND

8 (e) FOR AN APPLICATION TO REGISTER A NEW TRADE NAME THAT IS
9 FILED ELECTRONICALLY, THE EXECUTIVE DIRECTOR MAY GRANT A CREDIT
10 IN AN AMOUNT EQUAL TO TEN DOLLARS TO BE CREDITED TOWARD THE
11 APPLICATION FEE FOR SUCH REGISTRATION IMPOSED PURSUANT TO SECTION
12 24-35-301 (3), C.R.S.

13 (2) IN NO EVENT SHALL:

14 (a) THE AMOUNT OF A CREDIT GRANTED PURSUANT TO THIS SECTION
15 EXCEED THE AMOUNT OF THE TAX LIABILITY OR FEE AGAINST WHICH IT IS
16 TO BE CREDITED;

17 (b) A CREDIT GRANTED PURSUANT TO THIS SECTION BE REFUNDED
18 TO AN INDIVIDUAL OR ALLOWED TO BE CARRIED FORWARD AGAINST ANY
19 FUTURE LIABILITY FOR A TAX OR FEE; AND

20 (c) A CREDIT BE ALLOWED FOR AN AMENDED, DELINQUENT, OR
21 RENEWED APPLICATION OR RETURN.

22 (3) THE EXECUTIVE DIRECTOR SHALL, AT HIS OR HER DISCRETION,
23 DETERMINE WHETHER EACH CREDIT AUTHORIZED PURSUANT TO THIS
24 SECTION SHALL BE GRANTED BASED UPON THE ABILITY OF THE
25 DEPARTMENT TO ACCEPT THE RELEVANT DOCUMENTS ELECTRONICALLY,
26 THE NEED TO ENCOURAGE TAXPAYERS TO FILE DOCUMENTS
27 ELECTRONICALLY, AND SUCH OTHER STANDARDS AND CRITERIA AS THE

1 DIRECTOR DEEMS APPROPRIATE. NOTHING IN THIS SECTION SHALL BE
2 CONSTRUED TO REQUIRE THE EXECUTIVE DIRECTOR TO PROVIDE FOR THE
3 ELECTRONIC FILING OF ANY PARTICULAR DOCUMENT OR TO REQUIRE THE
4 EXECUTIVE DIRECTOR TO AUTHORIZE THE GRANTING OF ANY PARTICULAR
5 CREDIT PROVIDED FOR IN THIS SECTION.

6 (4) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 1, 2007.

7 **SECTION 2. Effective date.** This act shall take effect at 12:01
8 a.m. on the day following the expiration of the ninety-day period after
9 final adjournment of the general assembly that is allowed for submitting
10 a referendum petition pursuant to article V, section 1 (3) of the state
11 constitution; except that, if a referendum petition is filed against this act
12 or an item, section, or part of this act within such period, then the act,
13 item, section, or part, if approved by the people, shall take effect on the
14 date of the official declaration of the vote thereon by proclamation of the
15 governor.