

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 16-0431.01 Esther van Mourik x4215

HOUSE BILL 16-1232

HOUSE SPONSORSHIP

Kraft-Tharp, Wist

SENATE SPONSORSHIP

Tate,

House Committees
Business Affairs and Labor

Senate Committees

A BILL FOR AN ACT

101 CONCERNING CONTINUATION OF THE AUTHORITY OF THE EXECUTIVE
102 DIRECTOR OF THE DEPARTMENT OF REVENUE TO ISSUE WRITTEN
103 RESPONSES UPON THE REQUEST OF A TAXPAYER.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Sunset Process - House Business Affairs and Labor Committee. Currently, the executive director of department of revenue (department), or the executive director's designee, is charged with issuing the following upon written request from a taxpayer:

! Private letter rulings (binding determinations regarding the

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.

tax consequences of a proposed or completed transaction);
and

- ! Information letters (nonbinding statements providing general information regarding any tax administered by the department).

This duty is currently scheduled to sunset on September 1, 2016. The bill continues the requirement of the department to issue these letters until September 1, 2023.

The bill also specifies that the department must track the total state full-time equivalent (FTE) personnel positions necessary and the hours dedicated by each FTE for the issuance, declination, modification, or revocation of all information letters or private letter rulings.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-35-103.5, **amend**
3 (7); and **add** (3.5) as follows:

4 **24-35-103.5. Private letter rulings - information letters - fees**
5 **- creation of fund - definitions - repeal.** (3.5) THE DEPARTMENT OF
6 REVENUE SHALL TRACK THE TOTAL FULL-TIME EQUIVALENT PERSONNEL
7 POSITIONS NECESSARY AND THE HOURS DEDICATED BY EACH FTE FOR THE
8 ISSUANCE, DECLINATION, MODIFICATION, OR REVOCATION OF ALL
9 INFORMATION LETTERS OR PRIVATE LETTER RULINGS AS REQUIRED BY THIS
10 SECTION.

11 (7) This section is repealed, effective ~~September 1, 2016~~
12 SEPTEMBER 1, 2023. Prior to such repeal, the information letter and
13 private letter ruling function of the executive director of the department
14 of revenue shall be reviewed as provided for in section 24-34-104. The
15 general assembly shall not continue to authorize the department of
16 revenue to retain full-time equivalent employee authorization to issue
17 information letters and private letter rulings after this section is repealed.

18 **SECTION 2.** In Colorado Revised Statutes, 24-34-104, **amend**
19 (47.5) introductory portion; **repeal** (47.5) (d); and **add** (54) (b) as

1 follows:

2 **24-34-104. General assembly review of regulatory agencies**
3 **and functions for termination, continuation, or reestablishment.**

4 (47.5) The following agencies, functions, or both, shall terminate on
5 September 1, 2016:

6 (d) ~~The issuance of information letters and private letter rulings~~
7 ~~by the executive director of the department of revenue in accordance with~~
8 ~~section 24-35-103.5;~~

9 (54) The following agencies, functions, or both, terminate on
10 September 1, 2023:

11 (b) THE ISSUANCE OF INFORMATION LETTERS AND PRIVATE LETTER
12 RULINGS BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE
13 IN ACCORDANCE WITH SECTION 24-35-103.5;

14 **SECTION 3. Safety clause.** The general assembly hereby finds,
15 determines, and declares that this act is necessary for the immediate
16 preservation of the public peace, health, and safety.