

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING THE TEMPORARY AUTHORITY OF THE COLORADO ECONOMIC DEVELOPMENT COMMISSION TO ALLOW CERTAIN BUSINESSES TO TREAT SPECIFIC EXISTING INCOME TAX CREDITS DIFFERENTLY.

Prime Sponsors: Reps. Duran and Esgar
Sens. Tate and Garcia

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Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/26/17.

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 House Finance Committee Report (04/26/17), and floor amendments, adopted in the House on Second Reading (04/28/17) and included in the reengrossed bill, include 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 does not require an appropriation for FY 2017-18, however, it includes an appropriation clause that states the Department of Revenue can implement the bill within its existing resources.

Points to Consider

Future Fiscal Impact

The bill authorizes transferable income tax credits totaling \$30.0 million. Although this bill would not affect General Fund revenue for FY 2017-18, it is projected to reduce General Fund revenue by \$5.6 million in FY 2018-19 and \$9.2 million in FY 2019-20, with additional General Fund revenue reductions in subsequent fiscal years. As indicated on page 3 of the attached Fiscal Note, if transferees claim their income tax credits sooner, than anticipated in the Fiscal Note, revenue declines will occur sooner than estimated in the Fiscal Note.