

**JBC STAFF FISCAL ANALYSIS  
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE SALES AND USE TAX TREATMENT OF EQUIPMENT USED TO MANUFACTURE NEW METAL STOCK FROM SCRAP OR END-OF-LIFE-CYCLE METALS.

Prime Sponsors: Representative Kraft-Tharp  
Senator Priola

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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 04/09/18.

|     |  |
|-----|--|
| XXX | <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 |

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

| Amendment | Description                            |
|-----------|--|
| 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 \$14,292 General Fund to the Department of Revenue for FY 2018-19. This provision also states that the appropriation is based on the assumption that the Department will require an additional 0.3 FTE.

**Points to Consider**

*General Fund Impact*

The Joint Budget Committee has proposed a budget package for FY 2018-19 based on the March 2018 Office of State Planning and Budgeting revenue forecast. The budget package leaves approximately \$40.8 million General Fund unallocated. Thus, the General Assembly could appropriate up to \$38.3 million General Fund to fund 2018 legislation and maintain a 6.5 percent

## **HB18-1350**

## **JBC Staff Analysis**

General Fund reserve. This bill will reduce the excess General Fund reserve for FY 2018-19 by a total of \$52,621 because:

- it requires a General Fund appropriation of \$14,292 for FY 2018-19, reducing the excess General Fund reserve by \$15,221; and
- it is anticipated to reduce General Fund revenues by \$37,400 in FY 2018-19, reducing the excess General Fund reserve by the same amount.

The bill is anticipated to reduce General Fund revenues by \$76,700 in FY 2019-20 and subsequent years. The Department of Revenue will require an appropriation of \$50,877 General Fund in FY 2019-20 and subsequent years.