



Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Fiscal Note

Drafting Number: LLS 24-0795 Date: February 15, 2024
Prime Sponsors: Rep. Mauro; Taggart Bill Status: House Finance
Fiscal Analyst: Louis Pino | 303-866-3556 louis.pino@coleg.gov

Bill Topic: MULTI-STATE TAX FILING SYSTEM FOR INSURANCE TAXES

Summary of Fiscal Impact:
State Revenue [ ] State Transfer [ ] Local Government [ ]
State Expenditure [x] TABOR Refund [ ] Statutory Public Entity [ ]

The bill requires insurance companies paying insurance premium taxes, surplus lines taxes, and other associated state specific insurance tax filings to pay their insurance taxes through a third-party secured web-based application authorized by the Division of Insurance. It minimally decreases workload on an ongoing basis.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Summary of Legislation

The bill requires insurance companies paying premium taxes, surplus lines taxes, and other associated state specific insurance tax filings in Colorado to pay their insurance taxes, surplus lines taxes, and associated other charges through a third-party secured web-based application authorized by commissioner of the Division of Insurance (DOI). The bill allows the selected contractor to collect a fee from insurance companies for performing the collection and remittance service.

State Expenditures

On net, the bill is expected to minimally decrease workload for the DOI in the Department of Regulatory Agencies. A portion of workload will be reduced by shifting operations of the tax payment system to a third party, which will be offset by additional work for oversight and contract management duties. The DOI will continue to be responsible for following up with insurance companies about payments and conducting audits. No change in appropriations is required. It is assumed that the third-party contractor selected to operate the system will charge fees directly to insurance companies that use of the system and that DORA will not require funding to pay for the system.

**Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

**State and Local Government Contacts**

Information Technology

Regulatory Agencies

---

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).