



**Legislative  
Council Staff**

*Nonpartisan Services for Colorado's Legislature*

# FISCAL NOTE

**Drafting Number:** LLS 20-0233  
**Prime Sponsors:**

**Date:** October 24, 2019  
**Bill Status:** Bill Request  
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**Bill Topic:** **RESIDENTS OF BORDERING STATES SALES TAX EXEMPTION**

**Summary of Fiscal Impact:** **No fiscal impact.** This bill repeals for sales tax exemption for sales to residents of bordering states without a retail sales tax. The bill does not affect the revenue, expenditures, or workload of any state agency.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** This fiscal note reflects the bill draft as requested by Tax Expenditure Evaluation Interim Study Committee.

## Summary of Legislation

The bill repeals the sales tax exemption for sales to residents of bordering states without a retail sales tax.

## Assessment of No Fiscal Impact

This bill is assessed as having no fiscal impact. All of Colorado's neighboring states assess a retail sales tax, so the deduction is obsolete. The Department of Revenue does not require any modifications to tax forms, staffing, or programming. The bill does not affect the revenue, expenditures, or workload of any state or local government entity.

Further information provided by the Office of the State Auditor can be found here:  
[https://leg.colorado.gov/sites/default/files/2018-te11\\_sales\\_to\\_residents\\_of\\_bordering\\_states.pdf](https://leg.colorado.gov/sites/default/files/2018-te11_sales_to_residents_of_bordering_states.pdf)

## Effective Date

The bill takes effect August 5, 2020, if the General Assembly adjourns on May 6, 2020, as scheduled, and no referendum petition is filed.

## State and Local Government Contacts

Information Technology      Personnel      Revenue      State Auditor

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: [leg.colorado.gov/fiscalnotes](http://leg.colorado.gov/fiscalnotes).