

NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.



SENATE BILL 19-024

BY SENATOR(S) Tate, Moreno, Zenzinger, Todd;
also REPRESENTATIVE(S) Arndt and Hooton, McKean, Buentello,
Snyder.

CONCERNING THE PAYMENT OF TAXES BY ELECTRONIC FUNDS TRANSFERS.

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

SECTION 1. Legislative declaration. The general assembly declares that the purpose of this legislation is to amend section 39-29-111, Colorado Revised Statutes, concerning the electronic remittance of severance taxes, in order to make consistent the laws and administrative rules that allow payment of taxes by electronic funds transfers and to amend section 39-26-105.5, Colorado Revised Statutes, concerning the electronic remittance of sales taxes in order to bring the law into harmony with modern banking practices.

SECTION 2. In Colorado Revised Statutes, 39-29-111, **amend** (1)(b) as follows:

39-29-111. Withholding of income from oil and gas interest.
(1) (b) ~~On and after July 1, 2007,~~ THE EXECUTIVE DIRECTOR MAY REQUIRE

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

all amounts ~~paid to the department of revenue~~ DUE pursuant to ~~paragraph (a) of this subsection (1) shall~~ SUBSECTION (1)(a) OF THIS SECTION TO be remitted electronically. The department ~~shall~~ MAY promulgate rules in accordance with article 4 of title 24 C.R.S., governing electronic payment.

SECTION 3. In Colorado Revised Statutes, **amend** 39-26-105.5 as follows:

39-26-105.5. Remittance of sales taxes - electronic funds transfers. For any calendar year, the executive director may require any vendor whose liability for state sales tax only for the previous calendar year was more than seventy-five thousand dollars to use electronic funds transfers to remit all state and local sales taxes required to be remitted to the executive director of the department of revenue. The executive director may promulgate rules to implement this section, but shall first consult with the state treasurer to ensure that any rules promulgated do not adversely affect the ability of the state treasurer to optimize sales tax investment earnings. Such rules shall be promulgated in accordance with article 4 of title 24. The executive director shall not require any taxpayer required to remit sales taxes by electronic funds transfers to remit sales tax prior to the deadline specified in section 39-26-105 for taxpayers who remit sales taxes by other means; EXCEPT THAT THE EXECUTIVE DIRECTOR MAY REQUIRE A TAXPAYER TO REMIT SALES TAXES BY ELECTRONIC FUNDS TRANSFERS AT AN EARLIER HOUR ON THE DAY OF THE DEADLINE FOR MAKING A RETURN AND PAYING THE TAXES DUE THAT IS SPECIFIED IN SECTION 39-26-105 THAN TAXPAYERS WHO REMIT SALES TAXES BY OTHER MEANS.

SECTION 4. Act subject to petition - effective date - applicability. (1) This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2020 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) This act applies to remittances made on or after the applicable effective date of this act.

Leroy M. Garcia
PRESIDENT OF
THE SENATE

KC Becker
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO