

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 19-0320.01 Esther van Mourik x4215

SENATE BILL 19-024

SENATE SPONSORSHIP

Tate, Moreno, Zenzinger, Todd

HOUSE SPONSORSHIP

Arndt and Hooton, McKean

Senate Committees

Finance

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE PAYMENT OF TAXES BY ELECTRONIC FUNDS**
102 **TRANSFERS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Statutory Revision Committee. The bill authorizes the executive director of the department of revenue (director) to require the remittance of severance taxes electronically and allows the department to promulgate rules governing such electronic payment.

The bill authorizes the director to require a taxpayer to remit sales taxes by electronic funds transfers at an earlier hour on the deadline day

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

SENATE
3rd Reading Unamended
January 28, 2019

SENATE
2nd Reading Unamended
January 25, 2019

for making a return and paying the taxes due than taxpayers who remit sales taxes by other means.

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

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

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

12 **39-29-111. Withholding of income from oil and gas interest.**

13 (1) (b) ~~On and after July 1, 2007,~~ THE EXECUTIVE DIRECTOR MAY
14 REQUIRE all amounts paid to the department of revenue DUE pursuant to
15 ~~paragraph (a) of this subsection (1) shall~~ SUBSECTION (1)(a) OF THIS
16 SECTION TO be remitted electronically. The department ~~shall~~ MAY
17 promulgate rules in accordance with article 4 of title 24 ~~C.R.S.~~, governing
18 electronic payment.

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

21 **39-26-105.5. Remittance of sales taxes - electronic funds**
22 **transfers.** For any calendar year, the executive director may require any
23 vendor whose liability for state sales tax only for the previous calendar
24 year was more than seventy-five thousand dollars to use electronic funds
25 transfers to remit all state and local sales taxes required to be remitted to

1 the executive director of the department of revenue. The executive
2 director may promulgate rules to implement this section, but shall first
3 consult with the state treasurer to ensure that any rules promulgated do
4 not adversely affect the ability of the state treasurer to optimize sales tax
5 investment earnings. Such rules shall be promulgated in accordance with
6 article 4 of title 24. The executive director shall not require any taxpayer
7 required to remit sales taxes by electronic funds transfers to remit sales
8 tax prior to the deadline specified in section 39-26-105 for taxpayers who
9 remit sales taxes by other means; EXCEPT THAT THE EXECUTIVE DIRECTOR
10 MAY REQUIRE A TAXPAYER TO REMIT SALES TAXES BY ELECTRONIC FUNDS
11 TRANSFERS AT AN EARLIER HOUR ON THE DAY OF THE DEADLINE FOR
12 MAKING A RETURN AND PAYING THE TAXES DUE THAT IS SPECIFIED IN
13 SECTION 39-26-105 THAN TAXPAYERS WHO REMIT SALES TAXES BY OTHER
14 MEANS.

15 **SECTION 4. Act subject to petition - effective date -**
16 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
17 the expiration of the ninety-day period after final adjournment of the
18 general assembly (August 2, 2019, if adjournment sine die is on May 3,
19 2019); except that, if a referendum petition is filed pursuant to section 1
20 (3) of article V of the state constitution against this act or an item, section,
21 or part of this act within such period, then the act, item, section, or part
22 will not take effect unless approved by the people at the general election
23 to be held in November 2020 and, in such case, will take effect on the
24 date of the official declaration of the vote thereon by the governor.

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