



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

**SB 19-024**

# FISCAL NOTE

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<b>Drafting Number:</b>	LLS 19-0320	<b>Date:</b>	January 10, 2019
<b>Prime Sponsors:</b>	Sen. Tate Rep. Arndt; Hooton	<b>Bill Status:</b>	Senate Finance
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**Bill Topic:** TAXES PAID BY ELECTRONIC FUNDS TRANSFERS

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**Summary of Fiscal Impact:** **No fiscal impact.** This bill allows the Department of Revenue to potentially require that severance taxes be remitted electronically and allows the department to require that sales taxes be remitted earlier in the day of the deadline day if paid electronically.

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

**Fiscal Note Status:** This fiscal note reflects the introduced bill, as recommended by the Statutory Revision Committee.

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## Summary of Legislation

Under current law, certain taxpayers are required to remit payments electronically to the Department of Revenue. This includes retailers whose annual state sales tax liability for the prior calendar year exceeded \$75,000, and producers of oil and gas who withhold income from owners of oil and gas interests. Existing department rules specify that payments made by electronic funds transfer must be made before 4:00 P.M. Mountain Time on the due date in order to be treated as paid on that day. Department rules also allow some taxpayers to waive the electronic payment requirement if they can show undue hardship.

This bill clarifies and codifies existing departmental practice regarding the payment of sales taxes and severance taxes via electronic funds transfer.

## Assessment of No Fiscal Impact

The bill is not expected to change the timing of when tax payments are remitted to the Department of Revenue because the bill is codifying existing rules. As a result, the bill is expected to have no fiscal impact.

## Effective Date

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed.

**State and Local Government Contacts**

Revenue