



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

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| Drafting Number: | LLS 21-0718 | Date: | August 23, 2021 |
| Prime Sponsors: | Rep. Valdez D.; Lynch Sen. Moreno; Woodward | Bill Status: | Signed into Law |
| | | Fiscal Analyst: | David Hansen 303-866-2633 David.Hansen@state.co.us |

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| Bill Topic: | ADD USE TAX EXEMPTION TO SOME SALES TAX EXEMPTION |
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| Summary of Fiscal Impact: | No fiscal impact. The bill addresses defects in statute by authorizing corresponding use tax exemptions for several existing sales tax exemptions. The bill has no impact on state or local agency revenue or expenditures, so is assessed as having no fiscal impact. |
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| Appropriation Summary: | No appropriation is required. |
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| Fiscal Note Status: | The fiscal note reflects the enacted bill. |
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Summary of Legislation

Current state statute includes several sales tax exemptions that do not have corresponding use tax exemptions in state statute. The bill addresses these defects by adding the use tax exemptions and ensures purchases are not subject to tax.

Background

The Statutory Revision Committee (SRC) examines the state statutes and current judicial decisions to discover defects and anachronisms. The bill addresses SRC recommended revisions to the sales and use tax statutes.

Assessment of No Fiscal Impact

This bill codifies the Department of Revenue's existing practice for applying tax exemptions and requires no changes to implement. The bill has no impact on state or local government revenue or expenditures and is assessed as having no fiscal impact.

Effective Date

The bill was signed into law by the Governor on April 22, 2021, and takes effect on September 7, 2021, assuming no referendum petition is filed.

State and Local Government Contacts

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| Counties | Information Technology |
| Municipalities | Revenue |