

First Extraordinary Session  
Seventy-fourth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 23B-0001.01 Jed Franklin x5484

SENATE BILL 23B-003

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SENATE SPONSORSHIP

**Hinrichsen and Marchman,**

HOUSE SPONSORSHIP

**Mabrey and Dickson,** Kipp, Rutinel, Story, Weissman, Willford

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Senate Committees

State, Veterans, & Military Affairs

House Committees

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A BILL FOR AN ACT

101      **CONCERNING THE CREATION OF AN IDENTICAL REFUND PAYMENT OF**  
102            **EXCESS STATE REVENUES FROM ALL SOURCES AS A MECHANISM**  
103            **TO REFUND A PORTION OF THE EXCESS STATE REVENUES FOR**  
104            **THE 2022-23 STATE FISCAL YEAR ONLY.**

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**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>.)*

If the state exceeds its fiscal year spending limit (limit), it is required to refund the excess state revenues (TABOR refunds). There are currently 3 refund mechanisms for TABOR refunds that apply for the

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

2022-23 state fiscal year:

- Reimbursement, paid to counties for allocation to local governments that levy property taxes, for the reduction in property taxes resulting from the property tax exemptions for qualifying seniors and veterans with a disability;
- An additional reimbursement that is paid to counties for allocation to local governmental entities that levy property taxes for the reduction in property taxes resulting from reductions in valuation for assessment; and
- A sales tax refund for individual taxpayers, the amount of which is either based on 6 tiers of income or, if there is insufficient revenue for the tiered approach, is an identical refund amount.

The bill creates a new temporary refund mechanism that replaces the sales tax refund mechanism for the 2022-23 state fiscal year. Under this mechanism, each qualified individual is eligible to receive an identical refund payment from the remaining excess state revenues after refunds are made through the county reimbursement mechanisms (remaining excess state revenues). The amount of the refund is equal to the remaining excess state revenues divided by the number of qualified individuals, and it is a refund from all sources of state fiscal year spending. A qualified individual filing a single return is entitled to one refund, and 2 qualified individuals filing a joint return are entitled to 2 refunds. The executive director of the department of revenue is required to administer this refund in the same manner as the identical sales tax refund.

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

2           **SECTION 1.** In Colorado Revised Statutes, **add** 39-22-2005 as  
3 follows:

4           **39-22-2005. Refund of excess state revenues from all sources**

5 - **definitions - repeal.** (1) AS USED IN THIS SECTION, UNLESS THE  
6 CONTEXT OTHERWISE REQUIRES:

7           (a) "QUALIFIED INDIVIDUAL" HAS THE SAME MEANING AS SET  
8 FORTH IN SECTION 39-22-2003 (1).

9           (b) "REMAINING EXCESS STATE REVENUES" MEANS THE TOTAL  
10 AMOUNT OF THE STATE REVENUES FOR THE STATE FISCAL YEAR

1 COMMENCING ON JULY 1, 2022, IN EXCESS OF THE LIMITATION ON STATE  
2 FISCAL YEAR SPENDING IMPOSED BY SECTION 20 (7)(a) OF ARTICLE X OF  
3 THE STATE CONSTITUTION THAT THE STATE IS REQUIRED TO REFUND  
4 UNDER SECTION 20 (7)(d) OF ARTICLE X OF THE STATE CONSTITUTION,  
5 INCLUDING ANY AMOUNT SPECIFIED IN SECTION 24-77-103.8, THAT  
6 EXCEEDS THE AMOUNTS TO BE REFUNDED AS REQUIRED BY SECTIONS  
7 39-3-209 AND 39-3-210 FOR THE STATE FISCAL YEAR.

8 (2) NOTWITHSTANDING SECTIONS 39-22-2002 AND 39-22-2003,  
9 ANY REMAINING EXCESS STATE REVENUES FOR THE STATE FISCAL YEAR  
10 COMMENCING ON JULY 1, 2022, ARE REFUNDED THROUGH AN IDENTICAL  
11 PAYMENT TO QUALIFIED INDIVIDUALS. THE AMOUNT OF EACH REFUND IS  
12 EQUAL TO THE AMOUNT OF THE REMAINING EXCESS STATE REVENUES  
13 DIVIDED BY THE NUMBER OF QUALIFIED INDIVIDUALS EXPECTED TO CLAIM  
14 A REFUND PURSUANT TO SECTION 39-22-2003 FOR THE INCOME TAX YEAR  
15 COMMENCING ON JANUARY 1, 2023. THIS IS A REFUND OF EXCESS STATE  
16 REVENUES FROM ALL SOURCES OF FISCAL YEAR SPENDING.

17 (3) A QUALIFIED INDIVIDUAL FILING A SINGLE RETURN IS ENTITLED  
18 TO ONE REFUND UNDER THIS SECTION AND TWO QUALIFIED INDIVIDUALS  
19 FILING A JOINT RETURN ARE ENTITLED TO TWO REFUNDS UNDER THIS  
20 SECTION. THE EXECUTIVE DIRECTOR SHALL CALCULATE THE AMOUNT OF  
21 THE REFUND REQUIRED BY THIS SECTION AND SHALL ADMINISTER THE  
22 REFUND IN THE SAME MANNER AS THE REFUND SET FORTH IN SECTION  
23 39-22-2003.

24 (4) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2028.

25 **SECTION 2. Safety clause.** The general assembly finds,  
26 determines, and declares that this act is necessary for the immediate  
27 preservation of the public peace, health, or safety or for appropriations for

- 1 the support and maintenance of the departments of the state and state
- 2 institutions.