



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

Drafting Number:	LLS 24-0795	Date:	July 22, 2024
Prime Sponsors:	Rep. Mauro; Taggart	Bill Status:	Signed into Law
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Bill Topic:	MULTI-STATE TAX FILING SYSTEM FOR INSURANCE TAXES
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Summary of Fiscal Impact:	<input type="checkbox"/> State Revenue	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> TABOR Refund	<input type="checkbox"/> Statutory Public Entity

The bill requires insurance companies paying insurance premium taxes, surplus lines taxes, and other associated state specific insurance tax filings to pay their insurance taxes through a third-party secured web-based application authorized by the Division of Insurance. It minimally decreases workload on an ongoing basis.

Appropriation Summary:	No appropriation is required or included.
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Fiscal Note Status:	The final fiscal note reflects the enacted bill.
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Summary of Legislation

The bill requires insurance companies paying premium taxes, surplus lines taxes, and other associated state specific insurance tax filings in Colorado to pay their insurance taxes, surplus lines taxes, and associated other charges through a third-party secured web-based application authorized by commissioner of the Division of Insurance (DOI). The bill allows the selected contractor to collect a fee from insurance companies for performing the collection and remittance service.

State Expenditures

On net, the bill is expected to minimally decrease workload for the DOI in the Department of Regulatory Agencies. A portion of workload will be reduced by shifting operations of the tax payment system to a third party, which will be offset by additional work for oversight and contract management duties. The DOI will continue to be responsible for following up with insurance companies about payments and conducting audits. No change in appropriations is required. It is assumed that the third-party contractor selected to operate the system will charge fees directly to insurance companies that use of the system and that DORA will not require funding to pay for the system.

Effective Date

The bill was signed into law by the Governor and took effect on March 22, 2024.

State and Local Government Contacts

Information Technology

Regulatory Agencies

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).