

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING QUALIFICATION FOR STATE INCOME TAX CREDITS FOR CHARITABLE CONTRIBUTIONS TO NONPROFIT ORGANIZATIONS, AND, IN CONNECTION THEREWITH, AUTHORIZING A TAXPAYER TO MAKE A CHARITABLE CONTRIBUTION FOR WHICH THE TAXPAYER MAY CLAIM A STATE INCOME TAX CREDIT TO A CHARITABLE RECIPIENT ORGANIZATION THROUGH A QUALIFIED INTERMEDIARY THAT FORWARDS THE CONTRIBUTION TO THE CHARITABLE RECIPIENT ORGANIZATION AND ALLOWING A TAX CREDIT CERTIFICATE FOR THE COLORADO HOMELESS CONTRIBUTION TAX CREDIT TO INCLUDE ONLY THE LAST FOUR DIGITS, RATHER THAN ALL DIGITS, OF A TAXPAYER'S SOCIAL SECURITY NUMBER.

Prime Sponsors: Sens. Zenzinger and Smallwood
Representative Snyder

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Date Prepared: March 6, 2024

Appropriation Items of Note

Appropriation Required, Amendment in Packet

General Fund/TABOR Impact

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 01/26/2024.

XXX	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The Senate Finance Committee Report (01/30/2024) includes an amendment to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendment does not change the fiscal impact of the bill.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to add a provision appropriating a total of \$113,937 General Fund for FY 2024-25, including \$108,937 to the Department of Revenue and \$5,000 to the Department of Local Affairs. This provision also states that the appropriation is based on the assumption that the Department of Revenue will require an additional 1.6 FTE.

Points to Consider

General Fund Impact

The Joint Budget Committee (JBC) is developing a budget package for FY 2024-25. This bill requires a General Fund appropriation of \$113,937 for FY 2024-25, reducing the General Fund available for other FY 2024-25 appropriations by this amount.

Additionally, this bill reduces General Fund revenues by \$239,000 in FY 2023-24 and by \$478,000 in FY 2024-25, reducing the General Fund available for appropriations in those years by the same amounts.

TABOR/ Excess State Revenues Impact

If the March 2024 revenue forecast adopted by the Joint Budget Committee (JBC) projects a TABOR surplus liability for FY 2024-25 or for FY 2025-26, these sums must be refunded to taxpayers out of the General Fund. This bill is estimated to decrease General Fund revenues by \$239,000 in FY 2023-24, by \$478,000 in FY 2024-25, and by \$478,000 in FY 2025-26, which will result in a decrease in the TABOR surplus liability of an equal amount.