



Fiscal Note

Legislative Council Staff

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SB 25-018: ONLINE SEARCH OF SALES & USE TAX

Prime Sponsors:

Sen. Bridges; Kipp

Rep. Taggart

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Fiscal note status: This fiscal note reflects the introduced bill, which was recommended by the Sales and Use Tax Simplification Task Force.

Summary Information

Overview. The bill directs the Department of Revenue to allow sales tax licenses and use tax exemption certificates to be searchable by name and federal identification number.

Types of impacts. The bill is projected to affect the following areas in FY 2025-26 only:

- State Expenditures

Appropriations. For FY 2025-26, the bill requires an appropriation of \$9,718 to the Department of Revenue.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures (General Fund)	\$9,718	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

The bill directs the Department of Revenue (DOR) to allow a sales and use tax license and a sales and use tax exemption certificate to be searchable by the name and identification number of the sales and use tax licensee or the sales and use tax exemption certificate holder.

Background

The Taxation Division within the Department of Revenue (DOR) administers, implements, and enforces the State's sales tax laws and regulations and is responsible for the protection and disclosure of taxpayer information. Currently, the Department of Revenue operates Revenue Online which hosts a [search engine](#) that allows sales tax licenses and use tax exemption certificates to be searched and verified by license number. When a refund is claimed for erroneous sales tax payments, a license number from the retailer is required to verify the validity of the license. However, the license number is not always collected at the time of sale, and the current search engine does not have the functionality to verify a license by searching for the retailer's name or federal identification number.

State Expenditures

The bill increases state expenditures in DOR by \$9,718 in FY 2025-26 only, paid from the General Fund. Updating the search functionality of Revenue Online requires GenTax programming and testing, which are estimated to require 40 hours of work at \$231.75 per hour and 14 hours of work at \$32 per hour, respectively. These costs are outlined in Table 2 below.

Table 2
State Expenditures

Cost Component	Budget Year FY 25-26	Out Year FY 26-27
GenTax Programming	\$9,270	\$0
User Acceptance Testing	\$448	\$0
Total Costs	\$9,718	\$0

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2025-26, the bill requires a General Fund appropriation of \$9,718 to the Department of Revenue.

State and Local Government Contacts

Information Technology

Revenue

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](#).