



## Legislative Council Staff

*Nonpartisan Services for Colorado's Legislature*

Room 029 State Capitol, Denver, CO 80203-1784

Phone: (303) 866-3521 • Fax: (303) 866-3855

lcs.ga@state.co.us • leg.colorado.gov/lcs

### STAFF SUMMARY OF MEETING TASK FORCE CONCERNING TAX POLICY

DATE: October 13, 2022

TIME: 1:00 p.m.

ROOM: Old State Library, State Capitol Building

### Meeting Attendance

Name	Present	Excused
Kevin Amirehsani	X	
Chris Brown		Excused
Jon Catlett	X	
Dianne Criswell	X	
Comm. Richard Elsner	X	
Steve Ellington	X	
Director Mark Ferrandino	X	
Jason Gelender		Excused
Jeff Kraft	X	
Comm. Kelly McNicholas Kury	X	
Jason Meyers	X	
Donald Pacheco	X	
Stacey Roberts	X	
Greg Sobetski	X	
Rhonda Sparlin	X	
Trey Standley	X	
Lance Williams	X	
Treasurer Dave Young	X	
Jeffrey Zax	X	
Phil Horwitz, Vice-Chair	X	
Henry Sobanet, Chair	X	

The vice-chair called the meeting to order and welcomed fellow members of the task force.

## **1:02 PM: Presentation from Council on State Taxation**

Stephanie Do and Fred Nicely, representing the Council on State Taxation, presented to the committee on sales and use tax base extension. Their presentation may be found here:

[https://leg.colorado.gov/sites/default/files/images/committees/cost\\_presentation.pdf](https://leg.colorado.gov/sites/default/files/images/committees/cost_presentation.pdf)

Ms. Do and Mr. Nicely began their presentation by discussing the principles of good taxation. They noted that the largest share of the tax burden on state and local businesses are property taxes with sales and use tax coming in second. Mr. Nicely also discussed how services have grown as a share of total personal consumption. Mr. Nicely responded to several task force questions regarding the methodology of data in the tax burden study.

Ms. Do continued by discussing existing challenges with expanding the sales tax base including the lack of uniformity amongst the states. They continued by discussing the SSUTA and that one of the major impediments to sales tax modernization is avoiding taxation on business inputs. They continued by discussing sales taxation of digital commerce and manufacturing and resale. They provided several examples of states that have expanded their sales tax base and highlighted several issues those states faced.

The task force had a robust discussion on several topics including a value added tax, economic tax theories, taxing philosophy, and data collection.

## **2:50 PM: Review of Information Requests**

David Hansen, Legislative Council Staff, came to the table to provide information previously requested by the task force. His presentation may be found here:

<https://leg.colorado.gov/content/ilocctptf2022asubpanelsched>

His presentation addressed several requests for information requested at the task force's meeting on September 8, 2022.

## **3:25 PM: Discussion of Bills Requested by the Oversight Committee**

Katie Ruedebusch, Legislative Council Staff, came to the table to discuss the legislation recommended by the Legislative Oversight Committee Concerning Tax Policy. Task force members were encouraged to speak to Legislative Oversight Committee members about issues or concerns they may have with

### **3:30 PM: Discussion of Future Agendas and Other Business**

The task force discussed further agenda items related to sales tax simplification and harmonization, legislative efforts in other states, local government experiences, and further data.

### **3:45 PM: Adjourn**