



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Memorandum

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August 24, 2021

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SUBJECT: Legislative Oversight Committee Concerning Tax Policy and Task Force Overview

Summary

This memorandum provides information regarding the Legislative Oversight Committee Concerning Tax Policy and Task Force during the 2021 legislative interim.

Legislative Oversight Committee Concerning Tax Policy

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Pursuant to Section 39-21-401, C.R.S., the Legislative Oversight Committee Concerning Tax Policy (committee) is required to review the state's current tax policy and request legislation as necessary. The committee must also consider the policy considerations of the tax expenditure evaluations prepared by the Office of the State Auditor. In addition to its duties, the committee oversees and defines the scope of the Legislative Oversight Committee Concerning Tax Policy Task Force (task force).

2021 scope of committee and task force. The scope of tax policy to be considered by the committee and the task force is attached at the end of this memorandum.

2021 membership. There are six members on the committee, three Senators and three Representatives. The President of the Senate and the Speaker of the House each appoint two members, and the minority leaders of each house will each appoint one members. The Speaker of the House appoints the first chair of the committee and the vice-chair is appointed by the President of the Senate.

The chair and vice chair alternate biennially between the House and the Senate. Table 1 shows the 2021 membership of the committee.

**Table 1
2021 Committee Membership**

Representatives	Senators
Rep. Adrienne Benavidez, Chair	Sen. Chris Hansen, Vice Chair
Rep. Shannon Bird	Sen. Chris Kolker
Rep. Dan Woog	Sen. Larry Liston

Meeting requirements for committee members. Each committee member is required to attend at least one regular task force meeting. Committee members are encouraged to attend separate task force meetings.

Task Force Concerning Tax Policy

Pursuant to Section 39-21-404, C.R.S., the task force is required to study issues within its scope defined by the committee, and propose tax policy modifications for committee consideration. In addition, by October 1 each year, the task force must submit a report to the committee including, but not limited to: the issues studied by the task force, any legislative proposals, and summaries of its activities. The task force is required to meet at least six times per year. The task force may work with other state agencies, organizations, or task forces that are working on similar tax policy issues.

Task Force members. The task force consists of 21 members as follows:

- four nonvoting legislative staff members appointed by directors of the Legislative Council (LCS), Office of Legislative Legal Services (OLLS), Joint Budget Committee (JBC), and Office of the State Auditor (OSA);
- one voting representative of the Office of State Planning and Budgeting (OSPB);
- one voting representative of the Department of Revenue (DOR);
- one voting representative of the Office of Economic Development and International Trade (OEDIT);
- one voting representative of the Department of the Treasury; and
- thirteen voting members as follows:
 - one member from a state public or private institution of higher education with knowledge of tax policy;
 - one member from a state public or private institution of higher education with knowledge of economics;
 - four members representing local government as follows:
 - one from a home rule city or city and county;

- one from a statutory city;
- one from a home rule county; and
- one from a statutory county;
- two tax law practitioners who are not employed by a home rule or statutory city or city and county;
- two certified public accountants with state and local tax experience who are not employed by a home rule or statutory city or city and county;
- one member representing a small business;
- one member representing a large business; and
- one member representing a nonprofit organization with expertise in tax policy.

The task force appoints from among its membership a chair and vice-chair. Table 2 shows the 2021 membership of the task force.

**Table 2
2021 Task Force Membership**

Non-voting Members	
Jason Gelender, OLLS	Trey Standley, OSA
Alfredo Kemm, JBC	Kate Watkins, LCS
Voting Members	
Kevin Amirehsani, OSPB	Jason Meyers, Town of Frederick
Chris Brown, Common Sense Institute	Donald Pacheco, Equitable Advisors, LLC
Dianne Criswell, Special District Association	Stacey Roberts, TaxOps, LLC
Richard Elsner, Park County	Henry Sobanet, Colorado State University
Steve Ellington, City and County of Denver	Rhonda Sparlin, RubinBrown
Mark Ferrandino, DOR	Lance Williams, Deloitte Tax, LLP
Phil Horwitz, Moss Adams	Dave Young, Colorado State Treasurer
Jeff Kraft, OEDIT	Jeffrey Zax, University of Colorado
Kelly McNicholas Kury, Pitkin County	

Legislative Staff Support

Committee staff. Legislative Council Staff is charged with assisting the committee and task force in its activities. In 2021, the committee staff includes Greg Sobetski, Jeff Stupak, David Hansen, Elizabeth Ramey, Kate Watkins, and Katie Ruedebusch. If you have any questions or would like any additional information concerning the committee or task force, please send an e-mail to taxpolicycommittee.ga@state.co.us. Committee staff will post regular updates to the committee website at <https://leg.colorado.gov/committees/legislative-oversight-committee-concerning-tax-policy-task-force/2021-regular-session>.

Fiscal note staff. Legislative Council Staff provides fiscal notes for committee legislation and other analyses requested by the committee. To discuss the fiscal impact of legislation or to request a fiscal analysis, please contact Greg Sobetski (greg.sobetski@state.co.us) or Jeff Stupak (jeff.stupak@state.co.us).

Legal services staff. Additionally, attorneys at the Office of Legislative Legal Services provide legal and bill drafting assistance to the committee. For assistance in these areas, please contact Ed DeCecco (ed.dececco@state.co.us).

Audit staff. The committee may also receive support from the OSA. The lead OSA staffperson for the committee is Trey Standley (trey.standley@state.co.us).

Requirements for Interim Legislation

Committee approval. The committee may refer up to five bills to the Legislative Council, and bills must be approved at public meetings of the committee. The committee may request bill drafts at a future September meeting and may approve bill drafts at a future October meeting. Bill drafts and fiscal notes will be sent to committee members at least three days prior to this meeting.

Legislative Council review. The Legislative Council will meet on November 15 to consider any bills approved by interim committees. Bills not approved by Legislative Council may be introduced during the regular session, but such bills will count against a member's five-bill limit. Committee bills must have prime sponsors prior to consideration by the Legislative Council.

Rep. Adrienne Benavidez, *Chair*
Rep. Shannon Bird
Rep. Dan Woog

Sen. Chris Hansen, *Vice-Chair*
Sen. Chris Kolker
Sen. Larry Liston



Legislative Oversight Committee Concerning Tax Policy & Task Force

State Capitol Building, Room 029
Denver, Colorado 80203-1784
(303) 866-3521



August 24, 2021

Honorable Members of the Task Force Concerning Tax Policy:

Pursuant to Section 39-21-403 (2)(b), C.R.S., the Legislative Oversight Committee Concerning Tax Policy ("committee") is required annually to define, in writing, the scope of tax policy to be considered for the committee and the Task Force Concerning Tax Policy ("task force").

For 2021, the scope of tax policy to be considered for the **committee** is:

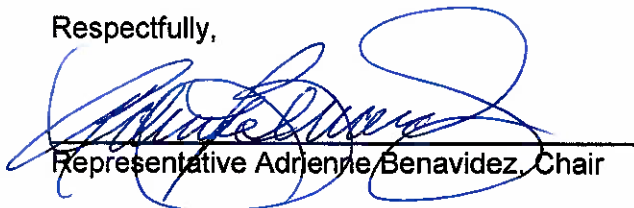
- tax expenditure evaluations produced by the Office of the State Auditor, and the policy considerations contained therein;
- recommendations, proposals, and studies arising from the work of the task force; and
- other tax expenditure policy considerations arising during the work of the committee.

For 2021, the scope of tax policy to be considered for the **task force** is:


- applying the state income tax to federal adjusted gross income rather than federal taxable income;
- homestead exemptions for senior citizens and veterans with a disability;
- the geographic extent of enterprise zones within Colorado, and options for their continuation or discontinuation;
- property tax treatment of short-term rentals; and
- options for expanding the sales and use tax to apply to services.

The committee directs the task force to prioritize these tax policies in the order in which they are listed.

Respectfully,


Representative Adrienne Benavidez, Chair

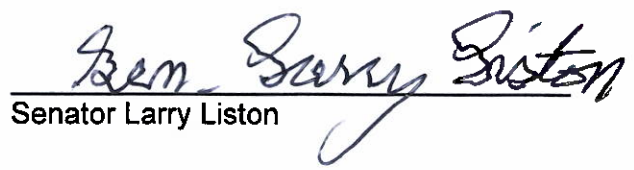

Representative Shannon Bird


Representative Dan Woog


Senator Chris Hansen, Vice-Chair

DocuSigned by:

Senator Chris Kolker


Senator Larry Liston