

CHAPTER 114

TAXATION

HOUSE BILL 98-1250

BY REPRESENTATIVE Kaufman;
also SENATOR Reeves.

AN ACT

CONCERNING ELECTRONIC FILING REQUIREMENTS RELATING TO AMOUNTS DEDUCTED AND WITHHELD FROM EMPLOYEE WAGES FOR STATE INCOME TAX PURPOSES.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 39-22-604 (2), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

39-22-604. Withholding tax - requirement to withhold - tax lien - exemption from lien. (2) Definitions: As used in this section, unless the context otherwise requires:

(b.5) "MAGNETIC MEDIA TAXPAYER" MEANS A TAXPAYER WHO IS REQUIRED TO FILE INFORMATION RETURNS DESCRIBED IN SECTION 6051 (d) OF THE INTERNAL REVENUE CODE BY MAGNETIC MEDIA OR IN OTHER MACHINE-READABLE FORM UNDER SECTION 6011 (e) OF THE INTERNAL REVENUE CODE.

SECTION 2. 39-22-604 (6), Colorado Revised Statutes, is amended to read:

39-22-604. Withholding tax - requirement to withhold - tax lien - exemption from lien. (6) (a) Every employer shall, in accordance with such ~~regulations~~ **RULES** as shall be prescribed by the department of revenue, provide each employee with a statement of the amounts of moneys deducted and withheld from such employee's wages in accordance with the provisions of this section. Every employer shall also make an annual statement for each employee to the department of revenue, on such forms as are provided or approved by the department, a copy of which shall be provided each employee, summarizing the total compensation paid and the tax withheld for such employee during the preceding calendar year or any portion thereof, and the said annual statement shall be filed on or before ~~March 15 of the year~~

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

~~following that for which the report is made. No employer shall be required to make such annual statements to the department of revenue on magnetic tape; however, any employer may voluntarily choose to make such annual statements on magnetic tape.~~ THE DATE ESTABLISHED PURSUANT TO SECTION 6071 OF THE INTERNAL REVENUE CODE FOR FILING SIMILAR FEDERAL STATEMENTS. Failure to file the statements within the time prescribed therefor, unless shown to have been due to reasonable cause, or the willful filing or furnishing of false or fraudulent statements shall subject the employer to a penalty, at the discretion of the executive director, of not less than five dollars nor more than fifty dollars, which shall be in addition to any criminal penalty otherwise provided for failure to file a return or for filing a false or fraudulent return.

(b) THE EXECUTIVE DIRECTOR MAY REQUIRE ANY MAGNETIC MEDIA TAXPAYER TO FILE THE ANNUAL STATEMENTS DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (6) BY MAGNETIC MEDIA OR IN OTHER MACHINE-READABLE FORM.

SECTION 3. Effective date - applicability. This act shall take effect upon passage and shall apply to filings and remittances made on or after January 1, 1999.

SECTION 4. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: April 17, 1998