



# SUMMARY REPORT

## *of Interim Committee Activities*

October 2024

### Sales and Use Tax Simplification Task Force

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**Committee Members:** Representative Cathy Kipp, Chair, Senator Kevin Van Winkle, Vice Chair  
Senator Jeff Bridges, Representative Rick Taggart

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#### Committee Charge

The Sales and Use Tax Simplification Task Force (task force) is charged with studying the necessary components of a simplified sales and use tax system for both state and local governments. The task force must consider whether there are feasible solutions for challenges around development, maintenance, and utilization of a statewide electronic sales and use tax simplification system created pursuant to [Senate Bill 19-006](#). The task force must consider elements such as retail audits, simplification of use taxes levied by the state and local governments, as well as study the components of a simplified lodging tax system. In 2024, the task force was charged with studying simplifying local lodging taxes.

#### Calendar of Events

##### June 24, 2024

- Presentation from the Office of Legislative Legal Services
- Audit Panel discussion
- Lodging Tax Panel discussion
- Public testimony

##### July 24, 2024

- Lakewood v. Wayfair Case update
- SUTS System User Interface updates
- Shopify Fee discussion
- SUTS System user experience panel
- SJR23-004 update
- Colorado Municipal League Lodging Tax Stakeholder discussion update
- Public testimony

##### July 24, 2024 (cont.)

- Future of the Task Force discussion

##### August 14, 2024

- Lodging Tax discussion
- License search functionality presentation
- Future of Task Force discussion
- Bill drafts requests

##### September 25, 2024

- Public testimony
- Bill drafts approval
- Discussion of letter to Department of Revenue



## Recommended Legislation

As a result of committee discussion and deliberation, the committee recommends the following bills for consideration in the 2025 legislative session.

### **Bill A – Local Government Tax Audit Confidentiality Standards**

The bill establishes confidentiality standards for the protection of taxpayer information used or obtained for a sales and use tax investigation performed by a third-party auditor on behalf of a local taxing jurisdiction. The bill prohibits auditors from divulging any taxpayer information related to a sales and use tax audit except under certain circumstances. Finally, the bill clarifies the Department of Revenue’s authority to share taxpayer information with local taxing jurisdictions.

### **Bill B – Online Search of Sales and Use Tax**

The bill directs the Department of Revenue 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.