

Thank you for your time today and for your consideration of HB22-1039. I regret scheduling conflicts prevent me from making my testimony in person.

My name is Laura Williams. I am a Sales & Use Tax Analyst at Martin Marietta and I have navigated the Colorado exemption documents in detail for the last 10 years. We are a building material supplier with locations in 32 states including many locations in Colorado. Colorado is by far the most administratively burdensome state where we do business from a customer exemption certificate perspective. We support this bill for several reasons:

First, some exemption forms have expiration dates that don't appear to be necessary. Due to the expiration dates, Martin Marietta and other businesses must validate customer sales tax licenses every other year. This year, Martin Marietta validated over 150 licenses. It is very time consuming to update documentation that routinely expires.

Second, given the nature of Martin Marietta's business we sell building materials to contractors performing work for both government and non-profit organizations. The current contractor's exemption form is difficult to obtain in a timely fashion and any needed extensions complicate maintaining the tax exemption for the job.

Third, there are multiple forms available for the same exemption. It is not always clear how each form can be used. In many cases, home rule cities do not accept the same forms as the state. The State multi-jurisdictional form allows listing applicable home rule city licenses but does not include their expiration dates. This leads to additional research sorting out how to apply an exemption when different forms are used by our customers.

In closing, these exemption documents are used during times of audit, so we fully support HB22-1039 to simplify these forms and ease compliance with Colorado statutes by July 2023.

Thank you again for your time and attention to this bill.

Laura Williams, Sales & Use Tax Analyst, Martin Marietta
Board Member Simplify CO Sales & Use Tax Coalition