

First Regular Session
Seventieth General Assembly
STATE OF COLORADO

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 15-1095.01 Nicole Myers x4326

HOUSE BILL 15-1374

HOUSE SPONSORSHIP

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A BILL FOR AN ACT

101 **CONCERNING THE ADDITION OF A LINE ON THE STATE INDIVIDUAL**
102 **INCOME TAX RETURN FORM THAT ALLOWS A TAXPAYER TO**
103 **DIRECT THE STATE TO INVEST THE TAXPAYER'S REFUND OF**
104 **STATE REVENUES IN EXCESS OF THE STATE FISCAL YEAR**
105 **SPENDING LIMIT IN STATE SERVICES, AND, IN CONNECTION**
106 **THEREWITH, MAKING AN APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

When state revenues exceed the state fiscal year spending limit

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
3rd Reading Unamended
April 28, 2015

HOUSE
Amended 2nd Reading
April 27, 2015

specified in the taxpayer's bill of rights (TABOR), the state is required to refund the revenues in excess of the fiscal year spending limit unless voters approve a revenue change allowing the state to keep such revenues. The general assembly has implemented mechanisms to refund revenues in excess of the state fiscal year spending limit to taxpayers, including a state sales tax refund.

The bill requires the executive director of the department of revenue (executive director) to include a line on the state individual income tax return form that allows each individual taxpayer to direct the state to invest all or a portion of the taxpayer's state sales tax refund in state services. The executive director is required to include such line on the state individual income tax return form only when the amount of state revenue exceeds the state's fiscal year spending limit.

In addition, the bill clarifies that an investment of all or a portion of a taxpayer's state sales tax refund in state services is included in the definition of "gift" for purposes of TABOR.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 39-22-2004 as
3 follows:

4 **39-22-2004. Direct state to use TABOR refund for state**
5 **services - option for taxpayer on state individual income tax return**
6 **form.** (1) FOR ANY STATE FISCAL YEAR COMMENCING ON OR AFTER JULY
7 1, 2014, IF THE AMOUNT OF STATE REVENUE EXCEEDS THE LIMITATION ON
8 STATE FISCAL YEAR SPENDING IMPOSED BY SECTION 20 (7) (a) OF ARTICLE
9 X OF THE STATE CONSTITUTION AND VOTERS STATEWIDE EITHER HAVE NOT
10 AUTHORIZED THE STATE TO RETAIN AND SPEND ALL OF THE EXCESS
11 REVENUES FOR THAT FISCAL YEAR OR HAVE AUTHORIZED THE STATE TO
12 RETAIN AND SPEND ONLY A PORTION OF THE EXCESS REVENUES FOR THAT
13 FISCAL YEAR, THE EXECUTIVE DIRECTOR SHALL ENSURE THAT THE
14 COLORADO STATE INDIVIDUAL INCOME TAX RETURN FORM FOR THE
15 INCOME TAX YEAR COMMENCING ON JANUARY 1 OF THE CALENDAR YEAR
16 IN WHICH THAT FISCAL YEAR ENDED CONTAINS A LINE WHEREBY EACH

1 INDIVIDUAL TAXPAYER MAY DIRECT THE STATE TO USE ALL OR ANY
2 PORTION OF THE REFUND AMOUNT TO WHICH THE TAXPAYER IS ENTITLED
3 PURSUANT TO THIS PART 20 FOR STATE SERVICES.

4 (2) THE EXECUTIVE DIRECTOR SHALL ENSURE THAT THE LINE ON
5 THE COLORADO STATE INDIVIDUAL INCOME TAX RETURN FORM REQUIRED
6 BY SUBSECTION (1) OF THIS SECTION STATES THE FOLLOWING: "I WANT THE
7 STATE TO USE MY TABOR REFUND FOR STATE SERVICES SUCH AS
8 PRESCHOOL THROUGH TWELFTH GRADE EDUCATION, STATE HIGHER
9 EDUCATION, HUMAN SERVICES, HEALTH CARE, STATE INFRASTRUCTURE
10 INCLUDING STATE HIGHWAYS AND BUILDINGS, THE JUDICIARY, AND
11 CORRECTIONS, NOT TO EXCEED THE AMOUNT SPECIFIED ON LINE ___ OF
12 THIS FORM. PLEASE USE THE FOLLOWING AMOUNT: ____." THE
13 EXECUTIVE DIRECTOR SHALL ENSURE THAT THE STATE INDIVIDUAL INCOME
14 TAX RETURN FORM LINE NUMBER THAT INDICATES THE AMOUNT OF THE
15 TAXPAYER'S REFUND PURSUANT TO SECTION 20 OF ARTICLE X OF THE
16 STATE CONSTITUTION IS INCLUDED IN THE STATEMENT SPECIFIED IN THIS
17 SUBSECTION (2).

18 **SECTION 2.** In Colorado Revised Statutes, 24-77-102, **amend**
19 (6) as follows:

20 **24-77-102. Definitions.** As used in this article, unless the context
21 otherwise requires:

22 (6) "Gift" means something of value ~~which~~ THAT is given to the
23 state voluntarily by any person or entity, regardless of whether such
24 person or entity specifies the purpose or purposes for which such thing of
25 value is to be used. "Gift" includes, but is not limited to, voluntary
26 contributions received by the state as a result of any state voluntary
27 contribution program established pursuant to article 22 of title 39, C.R.S.,

1 AND THE USE OF A TAXPAYER'S REFUND OF STATE REVENUES IN EXCESS OF
2 THE STATE FISCAL YEAR SPENDING LIMIT FOR STATE SERVICES PURSUANT
3 TO SECTION 39-22-2004, C.R.S. "Gift" does not include federal funds or
4 any pecuniary compensation received by the state from any other
5 governmental entity.

6 **SECTION 3. Appropriation.** (1) For the 2015-16 state fiscal
7 year, \$18,160 is appropriated to the department of revenue. This
8 appropriation is from the general fund. To implement this act, the
9 department may use this appropriation as follows:

- 10 (a) \$16,960 for CITA annual maintenance and support; and
- 11 (b) \$1,200 for document management;

12 (2) For the 2015-16 state fiscal year, \$1,200 is appropriated to the
13 department of personnel. This appropriation is from reappropriated funds
14 received from the department of revenue under paragraph (b) of
15 subsection (1) of this section. To implement this act, the department may
16 use this appropriation to provide document management services for the
17 department of revenue.

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