



**Legislative Council Staff**  
*Nonpartisan Services for Colorado's Legislature*

**Fiscal Note  
Memorandum**

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March 2, 2020

**TO:** Representative Matt Gray

**FROM:** Greg Sobetski, Principal Economist  
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**SUBJECT:** Fiscal Assessment of Proposed Amendment L.002 to HB 20-1203

This memorandum is an assessment of the fiscal impact of the attached proposed Amendment L.002 to House Bill 20-1203. This fiscal assessment is for the impact of the bill with inclusion of this amendment **only**. Any other added amendment could influence the fiscal impact.

**Summary of Proposed Amendment L.002**

Amendment L.002 increases the percentage of the federal earned income tax credit (EITC) allowed to Colorado taxpayers from 20.00 percent in the introduced bill to 20.12 percent.

**Fiscal Impact of Amendment L.002**

Relative to the introduced bill, Amendment L.002 reduces General Fund revenue from income taxes by \$0.4 million in FY 2020-21 and \$0.9 million in FY 2021-22 and subsequent years. Revenue will decrease because taxpayers will be allowed to claim a larger EITC. The General Fund obligation for TABOR refunds will be reduced correspondingly. The amendment does not change the bill's impact on state expenditures.

**Bill's Revised Fiscal Impact with Amendment L.002**

The bill's revised fiscal impact if Amendment L.002 is adopted is presented in Table 1 on the following page.

**Table 1**  
**State Fiscal Impacts Under HB 20-1203 with Amendment L.002**

		FY 2020-21	FY 2021-22	FY 2026-27
<b>Revenue</b>	General Fund	(\$6.6 million) to (\$1.1 million)	(\$11.2 million) to (\$0.1 million)	(\$155.3 million)
	<b>Total</b>	<b>(\$6.6 million)</b> <b>to (\$1.1 million)</b>	<b>(\$11.2 million)</b> <b>to (\$0.1 million)</b>	<b>(\$155.3 million)</b>
<b>Expenditures</b>	General Fund	\$337,493	\$362,821	\$62,198
	Centrally Appropriated	\$93,391	\$144,811	\$24,825
	<b>Total</b>	<b>\$430,884</b>	<b>\$507,632</b>	<b>\$87,023</b>
	<b>Total FTE</b>	<b>4.5 FTE</b>	<b>7.0 FTE</b>	<b>1.2 FTE</b>
<b>Transfers</b>		-	-	-
<b>TABOR Refund</b>	General Fund	(\$6.6 million) to (\$1.1 million)	(\$11.2 million) to (\$0.1 million)	Not estimated

HB1203\_L.002

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Finance.

HB20-1203 be amended as follows:

- 1 Amend printed bill, page 4, line 26, after "TWENTY" insert "AND TWELVE
- 2 ONE-HUNDREDTHS".

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