

**First Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO**

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 23-0310.01 Sarah Lozano x3858

**SENATE BILL 23-156**

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**SENATE SPONSORSHIP**

**Kolker and Liston,**

**HOUSE SPONSORSHIP**

**Snyder and Marshall,**

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**Senate Committees**

Finance  
Appropriations

**House Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING THE CONTINUATION OF THE ISSUANCE OF CERTAIN TAX**  
102            **INFORMATION TO A TAXPAYER BY THE DEPARTMENT OF**  
103            **REVENUE, AND, IN CONNECTION THEREWITH, IMPLEMENTING**  
104            **THE RECOMMENDATIONS CONTAINED IN THE 2022 SUNSET**  
105            **REPORT BY THE DEPARTMENT OF REGULATORY AGENCIES FOR**  
106            **THE ISSUANCE OF PRIVATE LETTER RULINGS AND INFORMATION**  
107            **LETTERS BY THE DEPARTMENT OF REVENUE.**

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**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://leg.colorado.gov/>.)*

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters or bold & italic numbers indicate new material to be added to existing law.  
Dashes through the words or numbers indicate deletions from existing law.

**Sunset Process - Senate Finance Committee.** The bill implements the recommendations of the department of regulatory agencies, as contained in the department's sunset review of the issuance of private letter rulings (rulings) and information letters (letters) by the department of revenue, as follows:

- Continues the issuance of rulings and letters by the department of revenue and removes the issuance of rulings and letters from the sunset review process;
- Allows the department of revenue to extend the ninety-day deadline to issue a ruling if the taxpayer agrees to the extension; and
- Allows the department of revenue to issue letters and rulings for any issue related to a tax administered by the department of revenue.

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

2           **SECTION 1.** In Colorado Revised Statutes, 24-34-104, **repeal**  
3 (24)(a)(III) as follows:

4           **24-34-104. General assembly review of regulatory agencies**  
5 **and functions for repeal, continuation, or reestablishment - legislative**  
6 **declaration - repeal.** (24) (a) The following agencies, functions, or both,  
7 are scheduled for repeal on September 1, 2023:

8           ~~(III) The issuance of information letters and private letter rulings~~  
9 ~~by the executive director of the department of revenue in accordance with~~  
10 ~~section 24-35-103.5;~~

11           **SECTION 2.** In Colorado Revised Statutes, 24-35-103.5, **amend**  
12 (1) and (3); and **repeal** (7) as follows:

13           **24-35-103.5. Private letter rulings - information letters - fees**  
14 **- creation of fund - definitions.** (1) ~~For purposes of AS USED IN~~ this  
15 section, unless the context otherwise requires:

16           (a) "Information letter" means a nonbinding statement issued by  
17 the department of revenue to a taxpayer that provides general information

1 regarding any tax OR FEE administered by the department pursuant to title  
2 29 or 39, C.R.S., SECTION 39-21-102 that is made in response to a written  
3 request from a taxpayer for such information.

4 (b) "Private letter ruling" means a written determination issued by  
5 the executive director of the department of revenue, or the executive  
6 director's designee, to a taxpayer on the tax consequences of a proposed  
7 or completed transaction under any tax OR FEE administered by the  
8 department pursuant to title 29 or 39, C.R.S., SECTION 39-21-102 that is  
9 made in response to a written request from a taxpayer for such a ruling.

10 (3) (a) EXCEPT AS SET FORTH IN SUBSECTION (3)(b) OF THIS  
11 SECTION, the executive director of the department of revenue shall issue  
12 private letter rulings within ninety days ~~of~~ AFTER the receipt of a written  
13 request by a taxpayer, unless the EXECUTIVE DIRECTOR DECLINES THE  
14 request. ~~is declined.~~ In the event THE EXECUTIVE DIRECTOR DECLINES a  
15 request for a private letter ruling, ~~is declined,~~ the executive director shall  
16 notify the taxpayer in writing of such declination no later than thirty days  
17 after the date the request was submitted to the department.

18 (b) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE  
19 MAY EXTEND THE NINETY-DAY PERIOD DESCRIBED IN SUBSECTION (3)(a)  
20 OF THIS SECTION UPON THE APPROVAL OF THE TAXPAYER.

21 (7) ~~This section is repealed, effective September 1, 2023. Prior to~~  
22 ~~such repeal, the information letter and private letter ruling function of the~~  
23 ~~executive director of the department of revenue shall be reviewed as~~  
24 ~~provided for in section 24-34-104. The general assembly shall not~~  
25 ~~continue to authorize the department of revenue to retain full-time~~  
26 ~~equivalent employee authorization to issue information letters and private~~  
27 ~~letter rulings after this section is repealed.~~

1           **SECTION 3. Act subject to petition - effective date.** This act  
2 takes effect at 12:01 a.m. on the day following the expiration of the  
3 ninety-day period after final adjournment of the general assembly; except  
4 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
5 of the state constitution against this act or an item, section, or part of this  
6 act within such period, then the act, item, section, or part will not take  
7 effect unless approved by the people at the general election to be held in  
8 November 2024 and, in such case, will take effect on the date of the  
9 official declaration of the vote thereon by the governor.