

JBC Staff Fiscal Analysis
Senate Appropriations Committee

Concerning the adjustment of certain tax expenditures.

Prime Sponsors:

Senator Mullica
Representatives Marshall; Joseph

Date Prepared:

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Fiscal Impacts

Appropriation Required, Amendment in Packet
General Fund/TABOR Impact

Fiscal Note Status

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/24/25.

No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill.

Amendments in This Packet

J.001 Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001

Staff amendment **J.001** (attached) appropriates a total of \$13,137 General Fund to the Department of Revenue for FY 2025-26.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2025-26 based on the March 2025 Office of State Planning and Budgeting (OSPB) revenue forecast. The budget package includes \$18.2 million in set-asides for legislation outside of the package (see table below). The budget package accounts for the 15.0 percent reserve associated with the placeholders.

| General Fund Appropriation Placeholders for Other 2025 Legislation | |
|--|--------------------------|
| Description | FY 2025-26 Appropriation |
| Juvenile diversion, deflection, or detention | \$10,000,000 |
| General Assembly legislative priorities | 6,521,739 |
| Voter approved initiatives | 1,700,000 |
| Total | \$18,221,739 |

This bill requires a General Fund appropriation of \$13,137 for FY 2025-26, reducing the \$18.2 million set aside by the same amount.

TABOR/ Excess State Revenues Impact

The March 2025 Office of State Planning and Budgeting (OSPB) revenue forecast projects a TABOR surplus liability of \$642.7 million for FY 2025-26 and \$775.8 million for FY 2026-27 to be refunded to taxpayers out of the General Fund. The Joint Budget Committee has proposed a budget package for FY 2025-26 based on the March 2025 OSPB revenue forecast.

This bill is estimated to increase General Fund revenues by \$70,000 in FY 2024-25 and FY 2025-26 and by \$140,000 in FY 2026-27, and by \$250,000 in years thereafter, which will result in an increase in the TABOR surplus liability of equal amounts.