

HB22-1310

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE ALIGNMENT OF THE STATE INCOME TAX DEDUCTION FOR CONTRIBUTIONS TO A 529 ACCOUNT WITH THE CHANGES IN THE FEDERAL "SETTING EVERY COMMUNITY UP FOR RETIREMENT ENHANCEMENT ACT OF 2019" THAT ALLOWS TAX-FREE DISTRIBUTIONS FOR ELIGIBLE APPRENTICESHIP PROGRAMS.

Prime Sponsors: Reps. Larson and Kipp
Sens. Bridges and Woodward

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Date Prepared: April 19, 2022

Appropriation Items of Note

Appropriation Not Required, No Amendment in Packet

TABOR Impact

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 03/28/22.

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|------------|--|
| XXX | No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill |
| | Update: Fiscal impact has changed due to <i>new information or technical issues</i> |
| | Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared |
| | Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill |

Amendments in This Packet for Consideration by Appropriations Committee

| Amendment | Description |
|-----------|-------------|
| | None. |

Current Appropriations Clause in Bill

The bill neither requires nor contains an appropriation clause for FY 2022-23.

Points to Consider

TABOR/ Excess State Revenues Impact

The March 2022 Legislative Council Staff (LCS) revenue forecast projects a TABOR surplus

liability of \$1.6 billion for FY 2022-23 and \$622.6 million for FY 2023-24. These sums must be refunded to taxpayers out of the General Fund. This bill is estimated to decrease General Fund revenues by \$89,476 in FY 2022-23 and by \$181,098 in FY 2023-24, which will result in a decrease in the TABOR surplus liability of an equal amount.