Legislative Council Staff
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FINAL FISCAL NOTE

Drafting Number:	LLS 20-0565	**Date:**	
Prime Sponsors:	Rep. Valdez D.	**Bill Status:**	Postponed Indefinitely
	Sen. Moreno	**Fiscal Analyst:**	Matt Bishop | 303-866-4796
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Bill Topic:	**PREVIOUS TAXED INCOME GAIN DEDUCTION C CORPORATION**
Summary of Fiscal Impact:	**No fiscal impact.** This bill would have repealed the income tax deduction for previous taxed income gains for C Corporations. The bill would not have affected the revenue, expenditures, or workload of any state agency.
Appropriation Summary:	No appropriation is required.
Fiscal Note Status:	The fiscal note reflects the introduced bill, as recommended by the Statutory Revision Committee. This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

Summary of Legislation

The income tax deduction for previously taxed income or gain for C Corporations allows C Corporations to deduct from their federal taxable income any income gain that was taxed previously by the state of Colorado prior to 1965 if the income gain is included in the C Corporation's current federal taxable income. The bill repeals this income tax deduction.

Assessment of No Fiscal Impact

This bill is assessed as having no fiscal impact. According to the Department of Revenue, the deduction is captured in other subtractions on corporate income tax returns. Repeal of the deduction will not require any form modifications or other rule changes. The bill does not affect the revenue, expenditures, or workload of any state or local government entity.

Further information from the Office of the State Auditor can be found here: https://leg.colorado.gov/sites/default/files/2019-te11_previously_taxed_income.pdf

Effective Date

This bill was postponed indefinitely by the Senate Business, Labor, and Technology Committee on May 26, 2020.

State and Local Government Contacts

Information Technology	Personnel
Revenue	State Auditor