



PLEASE SUPPORT SB22-032 – Sales & Use Tax Administration Simplification

Concerning simplification of local sales and use tax compliance and administration for retailers that make retail sales in local taxing jurisdictions where they have limited physical presence.
Recommended by the Legislative Sales & Use Tax Simplification Task Force

Senator Bridges and Woodward and Representatives Kipp and Van Winkle

The *Legislative Sales & Use Tax Simplification Task Force* established by HB17-1216 has successfully driven the policy conversation toward simplification of the complex sales & use tax system in Colorado for over the last 5 years.

Why support SB22-032...

SB22-032 simplifies sales & use tax administration for businesses by prohibiting local taxing jurisdictions from charging non-physically present retailers business license fees in order to remit minuscule sales taxes due.

On and after July 1, 2022, this bill would prohibit local taxing jurisdictions from charging a fee for a general business license to relevant retailers within the jurisdiction. Relevant retailers are use SUTS, have a standard retail license, and wither do not have presence, or have only incidental physical presence, in the local taxing jurisdiction. On or after July 1, 2023, a local taxing jurisdiction may not require a relevant retailer to apply separately for a general business license.

Summary of SB22-032:

- ✓ Requires the Department of Revenue to ask for sufficient information from relevant retailers that use the sales & use tax simplification system (SUTS) and make that information available to local taxing jurisdictions related to efficiency, compliance, and revenue collection.
- ✓ Requires the Department of Revenue to consult with local taxing jurisdictions when determining what information to collect and how to make the information collected available to local taxing jurisdictions. Requires the Department of Revenue to consult with retailers and to address any reasonable concerns. If local jurisdictions require a general business license, requires the local jurisdiction to issue the license at no charge using the information collected through the SUTS system.
- ✓ Requires the department of revenue to accomplish these tasks expeditiously so that no later than July 1, 2023.

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For more information visit: www.simplifycosalestax.com



About the Simplify Colorado Sales & Use Tax Coalition:

The Task Force Extension is supported by the Coalition to Simplify Colorado Sales Tax which was formed in 2015 to support Colorado's economy by simplifying the state's overly complex sales and use tax system. Colorado ranked **21st of states** on the sales tax component in the [Tax Foundation's 2021 State Business Tax Climate Index](#). We will promote additional reforms in the future to create a simple, fair and predictable system without reducing overall revenue for local and state public services.

The following organizations have joined the coalition's expanding board of directors:

- American Furniture Warehouse
- Associated General Contractors of Colorado
- Associated Landscape Contractors of Colorado
- Automated Business Products
- Colorado Automobile Dealers Association (CADA)
- Colorado Society of CPAs
- Food Services of America – Loveland
- LafargeHolcim
- Martin Marietta
- National Federation of Independent Business (NFIB)
- Rocky Mountain MCA (RMMCA)
- Rocky Mountain Regional Promotional Products Association
- Silverstein & Pomerantz
- SMACNA Colorado
- Summit Ford
- TaxOps
- US Foods



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