

## CoSEA Colorado Legislative Update April 3, 2023

### Contention Abounds

Prior to the legislative session, Democratic House and Senate leadership had planned to run a package of gun bills in 2023. In the midst of this priority, a student at Denver's East High School shot two administrators last week before traveling to a rural foothills community to commit suicide. The House recently debated two bills in the package, SB23-168, which makes it easier to sue gun manufacturers and sellers and SB23-170, which expands Colorado's red flag law. After House Republicans forced debate on the two bills to nine hours and ten hours respectively, the House Majority Leader moved to limit debate to one hour, which is considered a "nuclear option" for both the House and the Senate, when implemented. This has created an even more contentious environment in the House with Republicans having bills read at length, their only true delay tactic, and slowing down progress on legislation dramatically. The House Republicans used this tactic again this last week as they slowed action on a handful of reproductive rights bills this past week and weekend.

### Department of Revenue Proposes Legislation on Tax Filings

The Colorado Department of Revenue is proposing [draft legislation](#) relating to pass through entities and C corporations. The proposed legislation:

- For pass-through entities, consolidates the composite return and withholding options and clarifies the calculation of the required payment for pass-through entities; and,
- Replaces the current statutes for reporting federal adjustments with a model statute developed by the Multistate Tax Commission that provides additional time for reporting adjustments and allows pass-through entities to handle adjustments at the entity level on behalf of their owners.
- For C-corps, restores the one-month filing lag by changing the state due date to May 15 (with a November 15 extension deadline).

CoSEA's lobbyist has been in contact with the CDOR with regard to the legislative proposal and the proposal is being reviewed by the CoSEA Policy Committee.

### More Tax Packages...

The House recently introduced a large tax incentive package focused on reducing carbon emissions, [HB23-1242](#). This legislation extends tax incentives for electric vehicles, and creates tax incentives for activities such as production of sustainable aviation fuel and reducing industrial emissions.

There are also rumors that House and Senate Democrats are planning a large tax package that will address property taxes, among other things. CoSEA's lobbyist is in close contact with the House Finance Committee chairman, Rep. Marc Snyder, who also spoke at the CoSEA Day at the Capital, and will share any news on details.

The CoSEA Public Policy Committee meets regularly throughout the legislative session and takes positions on legislation on behalf of CoSEA. **If you have an interest in serving on the Public Policy Committee, please email [governmentrelations@cosea.org](mailto:governmentrelations@cosea.org).**

*To see what other legislation CoSEA is following, check out the bill tracker linked below:*

**Bill Tracker:** <https://www.coloradocapitolwatch.com/bill-tracker-votes/0/6525/2023/0/>