



March 13, 2019

**To:** Representative K.C. Becker, Senator Stephen Fenberg, Senator Mike Foote, Representative Edie Hooton, Representative Tracy Kraft-Tharp, Representative Jonathan Singer, Representative Kevin Van Winkle, Senator Angela Williams

**Re: Senate Bill 19-006 Electronic Sales and Use Tax Simplification System**

The Boulder Chamber expresses its support for Senate Bill 19-006, which commences the initial process for creating a simplified electronic and online sales tax reporting system that addresses the significant costs and time requirements our small businesses face due to the complexities associated with the new taxing regulations.

Colorado has 344 taxing jurisdictions and a combination of city, county and special districts creating 638 unique tax rates. This means some of our small independently-owned businesses and sole-proprietorships face the daunting burden and operational disruption of filing up to approximately 600 new tax returns a month. Senate Bill 19-006 begins to take a thoughtful approach to addressing these concerns.

The Boulder Chamber offers the following principles that we ask you to include in a final version of Senate Bill 19-006 or any other legislation that aims to address challenges associated with the new sales tax reporting regulations:

- The State of Colorado must develop automated sales tax software that calculates accurate tax rates in the reporting of online sales.
- Extends the grace period, beyond the current May 31, 2019 deadline, to a period when the automated sales tax reporting software system is available.
- Includes an investment (projected at \$25 million) required to fund the development of resources for our small business to comply with the new sales tax reporting regulations without imposing the additional costs to the businesses.
- Establishes de minimus standards and thresholds for exempting our smallest in-state retailers from the sales tax reporting requirements.
- Includes robust stakeholder engagement in development of a sales tax reporting system that works for small businesses.

We thank you for your consideration of our input on Senate Bill 19-006 and, in general, state legislative efforts to address the burden and impacts associated with the new sales tax reporting regulations.

Sincerely,

John Tayer  
President & CEO