

UNDER THE DOME

WITH THE NCLA

APRIL 14, 2014

NCLA LEADS ON MORE BUSINESS PERSONAL PROPERTY TAX RELIEF

Business personal property tax has the notable distinction of being the most onerous tax Colorado imposes upon its taxpayers. Most public policy makers acknowledge the fact. However, repealing the tax outright has been an impossible feat. While NCLA continues to consider a comprehensive solution, this legislative session, the NCLA continues its leadership on providing relief for small and capital intensive businesses.

Senate Bill 14-183 is the final piece of a three year effort to provide local governments great latitude in providing relief of business personal property tax (BPPT) for attracting and retaining capital intensive businesses. Business Incentive Agreements (BIA) are an economic development tool created in response to the onerous BPPT and its deterrence for new capital investment. BIAs are agreements between a local government and a business organization in trade for a commitment to capital investment in their Colorado business.

On behalf of the NCLA, Sandra Hagen Solin testified in the Senate Finance Committee alongside Senate Sponsors Senator Mark Scheffel (R-Parker) and Senate Majority Leader Rollie Heath (D-Boulder) in support of the NCLA-led SB 183 which allows local governments to negotiate BIAs with a 35 year term rather than the current 10 year agreement term. In explaining NCLA's support, Solin noted by way of example that Colorado, and in particular Northern Colorado, is uniquely positioned to attract new and expand existing cloud-housing data centers.

"Colorado's tax policy is a critical factor on a 'go or no go' decision for capital intensive companies looking to grow datacenters in Colorado," Solin explained. "A ten-year term under current BIAs is too short of an investment horizon for these companies. Passage of SB 183 is important to put Colorado in a competitive position to attract and retain these important tech sector economic drivers".

The Senate Finance Committee passed the bill unanimously and it moves to the full Senate for consideration.

NCLA BOARD HOSTS DINNER WITH NOCo LEGISLATIVE DELEGATION

Members of the NCLA Board of Directors traveled to Denver to join members of Colorado Legislature who encompass the delegation representing Northern Colorado for an intimate dinner at Palettes Restaurant at the Denver Art Museum. The dinner afforded board members and legislators the opportunity for building deeper relationship and understanding of perspectives on critical issues facing the Northern Colorado business community.

Conversations focused upon critical transportation funding needs for the Highway 14 south to Highway 66 north I-25 corridor, NCLA's opposition to statewide fracking ban initiatives, and flood relief.