

HB1270_L.001

HOUSE COMMITTEE OF REFERENCE REPORT

 Chairman of Committee

 Date
Committee on Finance.

After consideration on the merits, the Committee recommends the following:

HB10-1270 be amended as follows:

1 Amend printed bill, page 2, line 13, strike "(b) (I) "TANGIBLE" and
 2 substitute "(b.1) (I) COMMENCING ON OR AFTER JULY 1, 2012,
 3 "TANGIBLE".

4 Page 3, line 1, strike "(b)" and substitute "(b.1)".

5 Page 5, strike lines 7 through 9 and substitute:

6 "SECTION 2. 39-26-102 (13.5), Colorado Revised Statutes, as
 7 enacted by House Bill 10-1192, is amended BY THE ADDITION OF A
 8 NEW PARAGRAPH to read:

9 **39-26-102. Definitions - repeal.** As used in this article, unless
 10 the context otherwise requires:

11 (13.5) (c) THIS SUBSECTION (13.5) IS REPEALED, EFFECTIVE JULY
 12 1, 2012.

13 **SECTION 3.** 39-26-102 (15) (b), Colorado Revised Statutes, as
 14 enacted by House Bill 10-1192, is amended to read:

15 **39-26-102. Definitions - repeal.** As used in this article, unless
 16 the context otherwise requires:

17 (15) (b) (I) COMMENCING ON OR AFTER MARCH 1, 2010, BUT PRIOR
 18 TO JULY 1, 2012, "tangible personal property" includes standardized



1 software without regard to how such standardized software is acquired by
2 the purchaser or downloaded to the purchaser's computer.

3 (II) The department of revenue may promulgate rules for
4 apportioning tax in those instances in which standardized software is
5 transferred for use in more than one state. Such rules shall be based only
6 on those employees or users based permanently in the state.

7 (III) THIS PARAGRAPH (b) IS REPEALED, EFFECTIVE JULY 1, 2012.

8 SECTION 4. 39-26-709 (1) (c) (III), Colorado Revised Statutes,
9 as amended by House Bill 10-1192, is amended to read:

10 39-26-709. Machinery and machine tools - repeal. (1) (c) As
11 used in this subsection (1):

12 (III) (A) "Manufacturing" means the operation of producing a new
13 product, article, substance, or commodity or ~~producing standardized~~
14 ~~software as defined in section 39-26-102 (13.5) (a)~~; different from and
15 having a distinctive name, character, or use from raw or prepared
16 materials.

17 (B) COMMENCING ON OR AFTER MARCH 1, 2010, BUT PRIOR TO
18 JULY 1, 2012, "MANUFACTURING" MEANS THE OPERATION OF PRODUCING
19 STANDARDIZED SOFTWARE AS DEFINED IN SECTION 39-26-102 (13.5) (a)
20 DIFFERENT FROM AND HAVING A DISTINCTIVE NAME, CHARACTER, OR USE
21 FROM RAW OR PREPARED MATERIALS. THIS SUB-SUBPARAGRAPH (B) IS
22 REPEALED, EFFECTIVE JULY 1, 2012.

23 SECTION 5. Act subject to petition - effective date. This act
24 shall take effect at 12:01 a.m. on the day following the expiration of the
25 ninety-day period after final adjournment of the general assembly (August
26 11, 2010, if adjournment sine die is on May 12, 2010); except that, if a
27 referendum petition is filed pursuant to section 1 (3) of article V of the
28 state constitution against this act or an item, section, or part of this act
29 within such period, then the act, item, section, or part shall not take effect
30 unless approved by the people at the general election to be held in
31 November 2010 and shall take effect on the date of the official
32 declaration of the vote thereon by the governor."

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