

**Second Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 10-0736.01 Jason Gelender

HOUSE BILL 10-1190

HOUSE SPONSORSHIP

Pommer,

SENATE SPONSORSHIP

Heath,

House Committees

Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE SUSPENSION OF THE EXEMPTION FROM THE STATE**
102 **SALES AND USE TAXES FOR FUELS USED FOR INDUSTRIAL**
103 **PURPOSES, AND MAKING AN APPROPRIATION THEREFOR.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

For the period commencing March 1, 2010, and ending June 30, 2012, the bill suspends the exemption from the state sales and use taxes for the storage, use, or consumption of electricity, coal, coke, fuel oil, steam, nuclear fuel, or gas for use in processing, manufacturing, mining,

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

refining, irrigation, building construction, telegraph, telephone, and radio communication, street and railroad transportation services, and all industrial uses and makes conforming amendments to prevent the suspension of the exemption from affecting county, municipal, and other local government or political subdivision sales and use taxes.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** 39-26-102 (21), Colorado Revised Statutes, is
3 amended to read:

4 **39-26-102. Definitions.** As used in this article, unless the context
5 otherwise requires:

6 (21) [REDACTED] Sales and purchases of electricity, coal, gas, fuel oil,
7 steam, coke, or nuclear fuel, for use in processing, manufacturing,
8 mining, refining, irrigation, construction, telegraph, telephone, and radio
9 communication, street and railroad transportation services, and all
10 industrial uses, and newsprint and printer's ink for use by publishers of
11 newspapers and commercial printers shall be deemed to be wholesale
12 sales and shall be exempt from taxation under this part 1; EXCEPT THAT
13 SALES AND PURCHASES OF ELECTRICITY, COAL, GAS, FUEL OIL, STEAM,
14 COKE, OR NUCLEAR FUEL, FOR USE IN PROCESSING, MANUFACTURING,
15 MINING, REFINING, IRRIGATION, CONSTRUCTION, TELEGRAPH, TELEPHONE,
16 AND RADIO COMMUNICATION, STREET AND RAILROAD TRANSPORTATION
17 SERVICES, AND ALL INDUSTRIAL USES SHALL NOT BE EXEMPT FROM STATE
18 SALES TAXATION FOR THE PERIOD COMMENCING MARCH 1, 2010, AND
19 ENDING JUNE 30, 2012.

20

21 **SECTION 2.** 39-26-715 (2) (b), Colorado Revised Statutes, is
22 amended to read:

23 **39-26-715. Fuel and oil.** (2) The following shall be exempt from

1 taxation under the provisions of part 2 of this article:

2 (b) The storage, use, or consumption of electricity, coal, coke,
3 fuel oil, steam, nuclear fuel, or gas for use in processing, manufacturing,
4 mining, refining, irrigation, building construction, telegraph, telephone,
5 and radio communication, street and railroad transportation services, and
6 all industrial uses; EXCEPT THAT SUCH STORAGE, USE, OR CONSUMPTION
7 SHALL NOT BE EXEMPT FROM STATE USE TAXATION FOR THE PERIOD
8 COMMENCING MARCH 1, 2010, AND ENDING JUNE 30, 2012.

9
10 **SECTION 3.** Part 1 of article 21 of title 39, Colorado Revised
11 Statutes, is amended BY THE ADDITION OF A NEW SECTION to
12 read:

13 **39-21-122. Revenue impact of 2010 tax legislation - tracking**
14 **by department.** THE DEPARTMENT OF REVENUE SHALL ACCOUNT FOR ALL
15 REVENUE ATTRIBUTABLE TO THE ENACTMENT OF HOUSE BILL 10-1190,
16 ENACTED IN 2010, AND SHALL, TO THE EXTENT SUCH INFORMATION IS
17 AVAILABLE, MAKE QUARTERLY REPORTS TO THE GENERAL ASSEMBLY
18 REGARDING THE QUARTERLY AND CUMULATIVE NET REVENUE GAIN TO THE
19 STATE RESULTING FROM THE ENACTMENT OF SAID BILL.

20 **SECTION 4. Appropriation.** In addition to any other
21 appropriation, there is hereby appropriated, out of any moneys in the
22 general fund not otherwise appropriated, to the department of revenue, for
23 allocation to the taxation business group, taxation and compliance
24 division, for the fiscal year beginning July 1, 2009, the sum of ninety-four
25 thousand three hundred twenty-two dollars (\$94,322) and 0.9 FTE, or so
26 much thereof as may be necessary, for the implementation of this act.

27 **SECTION 5. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, and safety.