

SENATE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

April 24, 2008
Date

Committee on Finance.

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

HB08-1013 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend reengrossed bill, page 1, after line 1, insert the following:

2 "SECTION 1. 29-2-105 (1) (d), Colorado Revised Statutes, is
3 REPEALED AND REENACTED, WITH AMENDMENTS, to read:

4 **29-2-105. Contents of sales tax ordinances and proposals.**

5 (1) The sales tax ordinance or proposal of any incorporated town, city,
6 or county adopted pursuant to this article shall be imposed on the sale of
7 tangible personal property at retail or the furnishing of services, as
8 provided in paragraph (d) of this subsection (1). Any countywide or
9 incorporated town or city sales tax ordinance or proposal shall include the
10 following provisions:

11 (d) (I) A PROVISION THAT THE SALE OF TANGIBLE PERSONAL
12 PROPERTY AND SERVICES TAXABLE PURSUANT TO THIS ARTICLE SHALL BE
13 THE SAME AS THE SALE OF TANGIBLE PERSONAL PROPERTY AND SERVICES
14 TAXABLE PURSUANT TO SECTION 39-26-104, C.R.S., EXCEPT AS
15 OTHERWISE PROVIDED IN THIS PARAGRAPH (d). THE SALE OF TANGIBLE
16 PERSONAL PROPERTY AND SERVICES TAXABLE PURSUANT TO THIS ARTICLE
17 SHALL BE SUBJECT TO THE SAME SALES TAX EXEMPTIONS AS THOSE
18 SPECIFIED IN PART 7 OF ARTICLE 26 OF TITLE 39, C.R.S., EXCEPT THAT THE
19 SALE OF THE FOLLOWING MAY BE EXEMPTED FROM A TOWN, CITY, OR
20 COUNTY SALES TAX ONLY BY THE EXPRESS INCLUSION OF THE EXEMPTION
21 EITHER AT THE TIME OF ADOPTION OF THE INITIAL SALES TAX ORDINANCE

1 OR RESOLUTION OR BY AMENDMENT THERETO:

2 (A) THE EXEMPTION FOR SALES OF MACHINERY OR MACHINE TOOLS
3 SPECIFIED IN SECTION 39-26-709 (1), C.R.S.;

4 (B) THE EXEMPTION FOR SALES OF ELECTRICITY, COAL, WOOD,
5 GAS, FUEL OIL, OR COKE SPECIFIED IN SECTION 39-26-715 (1) (a) (II),
6 C.R.S.;

7 (C) THE EXEMPTION FOR SALES OF FOOD SPECIFIED IN SECTION
8 39-26-707 (1) (e), C.R.S.;

9 (D) THE EXEMPTION FOR VENDING MACHINE SALES OF FOOD
10 SPECIFIED IN SECTION 39-26-714 (2), C.R.S.;

11 (E) THE EXEMPTION FOR SALES BY A CHARITABLE ORGANIZATION
12 SPECIFIED IN SECTION 39-26-718 (1) (b), C.R.S.;

13 (F) THE EXEMPTION FOR SALES OF FARM EQUIPMENT AND FARM
14 EQUIPMENT UNDER LEASE OR CONTRACT SPECIFIED IN SECTION 39-26-716
15 (2) (b) AND (2) (c), C.R.S.;

16 (G) THE EXEMPTION FOR SALES OF LOW-EMITTING MOTOR
17 VEHICLES, POWER SOURCES, OR PARTS USED FOR CONVERTING SUCH
18 POWER SOURCES AS SPECIFIED IN SECTION 39-26-719 (1), C.R.S.;

19 (H) THE EXEMPTION FOR SALES OF PESTICIDES SPECIFIED IN
20 SECTION 39-26-716 (2) (e), C.R.S.; AND

21 (I) THE EXEMPTION FOR SALES THAT BENEFIT A COLORADO
22 SCHOOL SPECIFIED IN SECTION 39-26-723, C.R.S.

23 (II) IF A TOWN, CITY, OR COUNTY SALES TAX EXPRESSLY INCLUDES
24 ANY EXEMPTIONS SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (d)
25 BY AN AMENDMENT TO THE INITIAL SALES TAX ORDINANCE OR
26 RESOLUTION, SUCH AMENDMENT SHALL BE ADOPTED IN THE SAME MANNER
27 AS THE INITIAL ORDINANCE OR RESOLUTION.

28 (III) IN THE ABSENCE OF AN EXPRESS PROVISION FOR ANY
29 EXEMPTION SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (d), ALL
30 SALES TAX ORDINANCES AND RESOLUTIONS SHALL BE CONSTRUED AS

1 IMPOSING OR CONTINUING TO IMPOSE THE TOWN, CITY, OR COUNTY SALES
2 TAX ON SUCH ITEMS.

3 **SECTION 2.** 29-2-106 (4) (a), Colorado Revised Statutes, is
4 REPEALED AND REENACTED, WITH AMENDMENTS, to read:

5 **29-2-106. Collection - administration - enforcement.**
6 (4) (a) (I) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE
7 SHALL, AT NO CHARGE, ADMINISTER, COLLECT, AND DISTRIBUTE THE SALES
8 TAX OF ANY HOME RULE MUNICIPALITY UPON REQUEST OF THE GOVERNING
9 BODY OF SUCH MUNICIPALITY:

10 (A) IF THE PROVISIONS OF THE SALES TAX ORDINANCE OF SAID
11 MUNICIPALITY, OTHER THAN THOSE PROVISIONS RELATING TO LOCAL
12 PROCEDURES FOLLOWED IN ADOPTING THE ORDINANCE, CORRESPOND TO
13 THE REQUIREMENTS OF THIS ARTICLE FOR SALES TAXES IMPOSED BY
14 COUNTIES, TOWNS, AND CITIES;

15 (B) IF NO USE TAX IS TO BE COLLECTED BY THE DEPARTMENT OF
16 REVENUE EXCEPT AS PROVIDED IN SECTION 39-26-208, C.R.S.; AND

17 (C) WHETHER OR NOT THE ORDINANCE APPLIES THE SALES TAX TO
18 THE EXEMPTIONS LISTED IN SECTION 29-2-105 (1) (d) (I).

19 (II) WHEN THE GOVERNING BODY OF ANY HOME RULE
20 MUNICIPALITY REQUESTS THE DEPARTMENT OF REVENUE TO ADMINISTER,
21 COLLECT, AND DISTRIBUTE THE SALES TAX OF SAID MUNICIPALITY AS
22 SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (a), SAID GOVERNING
23 BODY SHALL CERTIFY TO THE EXECUTIVE DIRECTOR OF THE DEPARTMENT
24 A TRUE COPY OF THE HOME RULE MUNICIPALITY'S SALES TAX
25 ORDINANCE."

26 Renumber succeeding sections accordingly.

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