

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

INTRODUCED

LLS NO. 09-0085.01 Esther van Mourik

HOUSE BILL 09-1029

HOUSE SPONSORSHIP

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Renfroe, Gibbs, Spence, Williams

House Committees

Transportation & Energy

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE REGISTRATION OF MOBILE MACHINERY OPERATED**
102 **IN INTERSTATE COMMERCE.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Transportation Legislation Review Committee. Designates every item of mobile machinery and self-propelled construction equipment operated in interstate commerce as Class A personal property for purposes of imposing graduated annual specific ownership tax, but specifies the same rate structure currently applied to Class F personal property. By classifying this particular subset of Class F personal property as Class A personal property, clarifies application of the

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.

international registration plan, or any successor plan, to this subset of Class F personal property.

Makes conforming amendments.

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

2 **SECTION 1.** 42-3-106 (2) (a) and (2) (e), Colorado Revised
3 Statutes, are amended to read:

4 **42-3-106. Tax imposed - classification - taxable value.** (2) For
5 the purpose of imposing graduated annual specific ownership taxes, the
6 personal property specified in section 6 of article X of the state
7 constitution is classified as follows:

8 (a) Every motor vehicle, truck, laden or unladen truck tractor,
9 trailer, and semitrailer used in the business of transporting persons or
10 property over any public highway in this state as an interstate commercial
11 carrier, AND EVERY ITEM OF MOBILE MACHINERY AND SELF-PROPELLED
12 CONSTRUCTION EQUIPMENT OPERATED IN INTERSTATE COMMERCE, for
13 which an application is made for apportioned registration, regardless of
14 base jurisdiction, shall be Class A personal property.

15 (e) EXCEPT AS PROVIDED IN PARAGRAPH (a) OF THIS SUBSECTION
16 (2), every item of mobile machinery and self-propelled construction
17 equipment required to be registered under this article shall be Class F
18 personal property.

19 **SECTION 2.** 42-3-107 (1) (a) (I), the introductory portion to
20 42-3-107 (2), 42-3-107 (3), (14), and (15) (a), the introductory portions
21 to 42-3-107 (15) (b) and (15) (c), and 42-3-107 (15) (d), (15) (f), and (17)
22 (a) (III), Colorado Revised Statutes, are amended, and the said 42-3-107
23 is further amended BY THE ADDITION OF A NEW SUBSECTION, to
24 read:

1 **42-3-107. Taxable value of classes of property - rate of tax -**
2 **when and where payable - department duties - apportionment of tax**
3 **collections - definitions.** (1) (a) (I) The taxable value of every item of
4 Class A or Class B personal property, OTHER THAN ITEMS OF MOBILE
5 MACHINERY AND SELF-PROPELLED CONSTRUCTION EQUIPMENT OPERATED
6 IN INTERSTATE COMMERCE THAT ARE CLASSIFIED AS CLASS A PERSONAL
7 PROPERTY AS SPECIFIED IN SECTION 42-3-106 (2) (a), greater than sixteen
8 thousand pounds declared empty vehicle weight shall be the actual
9 purchase price of such property. Such price shall not include any
10 applicable federal excise tax, including the excise tax on the first retail
11 sale of a heavy truck, trailer, or tractor for which the seller is liable,
12 transportation or shipping costs, or preparation and delivery costs. The
13 taxable value of every item of Class A or Class B personal property,
14 OTHER THAN ITEMS OF MOBILE MACHINERY AND SELF-PROPELLED
15 CONSTRUCTION EQUIPMENT OPERATED IN INTERSTATE COMMERCE THAT
16 ARE CLASSIFIED AS CLASS A PERSONAL PROPERTY AS SPECIFIED IN
17 SECTION 42-3-106 (2) (a), less than or equal to sixteen thousand pounds
18 declared empty vehicle weight shall be seventy-five percent of the
19 manufacturer's suggested retail price.

20 (2) EXCEPT AS PROVIDED IN SUBSECTION (2.5) OF THIS SECTION,
21 the annual specific ownership tax payable on every item of Class A
22 personal property shall be computed in accordance with the following
23 schedule:

24 (2.5) THE ANNUAL SPECIFIC OWNERSHIP TAX PAYABLE ON EVERY
25 ITEM OF MOBILE MACHINERY AND SELF-PROPELLED CONSTRUCTION
26 EQUIPMENT OPERATED IN INTERSTATE COMMERCE THAT IS CLASSIFIED AS
27 CLASS A PERSONAL PROPERTY AS SPECIFIED IN SECTION 42-3-106 (2) (a)

1 SHALL BE COMPUTED IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

2	YEAR OF SERVICE	RATE OF TAX
3	FIRST YEAR	2.10% OF TAXABLE VALUE
4	SECOND YEAR	1.50% OF TAXABLE VALUE
5	THIRD YEAR	1.25% OF TAXABLE VALUE
6	FOURTH YEAR	1.00% OF TAXABLE VALUE
7	FIFTH YEAR	.75% OF TAXABLE VALUE
8	SIXTH AND EACH LATER YEAR	.50% OF TAXABLE VALUE,
9		BUT NOT LESS THAN \$ 5

10 (3) The owner of any Class A personal property shall file a list
11 with the department describing each item owned, reciting the year of
12 manufacture or model designation, and stating the original sale price of
13 any mounted equipment, OR MOBILE MACHINERY AND SELF-PROPELLED
14 CONSTRUCTION EQUIPMENT, mounted on or attached to such item after its
15 manufacture or first retail sale. As soon thereafter as practicable, the
16 department shall compute the annual specific ownership tax payable on
17 each item shown on such list and shall send to the owner a statement
18 showing the aggregate amount of specific ownership tax payable by such
19 owner.

20 (14) The department shall designate suitable compilations of the
21 manufacturer's suggested retail price or actual purchase price of all items
22 of Class A, Class B, Class C, and Class D personal property, OTHER THAN
23 ITEMS OF MOBILE MACHINERY AND SELF-PROPELLED CONSTRUCTION
24 EQUIPMENT OPERATED IN INTERSTATE COMMERCE THAT ARE CLASSIFIED
25 AS CLASS A PERSONAL PROPERTY AS SPECIFIED IN SECTION 42-3-106 (2)
26 (a), and shall provide each authorized agent with copies. Unless the
27 actual purchase price is used as the taxable value, such compilation shall

1 be uniformly used to compute the annual specific ownership tax payable
2 on any item of such classified personal property purchased outside
3 Colorado and registered for the first time in Colorado. Such actual
4 purchase price shall not be used unless the department receives or has
5 received a manufacturer's statement or certificate of origin for such
6 vehicle. The department shall provide continuing supplements of such
7 compilation to each authorized agent in order that the agent may have
8 available current information relative to the manufacturer's suggested
9 retail price of newly manufactured items.

10 (15) (a) The property tax administrator shall compile and have
11 printed a comprehensive schedule of all vehicles defined and designated
12 as Class F personal property AND OF ALL ITEMS OF MOBILE MACHINERY
13 AND SELF-PROPELLED CONSTRUCTION EQUIPMENT OPERATED IN
14 INTERSTATE COMMERCE THAT ARE CLASSIFIED AS CLASS A PERSONAL
15 PROPERTY AS SPECIFIED IN SECTION 42-3-106 (2) (a), wherein all such
16 vehicles shall be listed according to make, model, year of manufacture,
17 capacity, weight, and any other terms that serve to describe such vehicles.

18 (b) Except as provided in paragraph (c) of this subsection (15) for
19 property acquired prior to January 1, 1997, the taxable value of Class F
20 personal property AND OF ITEMS OF MOBILE MACHINERY AND
21 SELF-PROPELLED CONSTRUCTION EQUIPMENT OPERATED IN INTERSTATE
22 COMMERCE THAT ARE CLASSIFIED AS CLASS A PERSONAL PROPERTY AS
23 SPECIFIED IN SECTION 42-3-106 (2) (a) shall be determined by the property
24 tax administrator and shall be either:

25 (c) The taxable value of Class F personal property AND OF ITEMS
26 OF MOBILE MACHINERY AND SELF-PROPELLED CONSTRUCTION EQUIPMENT
27 OPERATED IN INTERSTATE COMMERCE THAT ARE CLASSIFIED AS CLASS A

1 PERSONAL PROPERTY AS SPECIFIED IN SECTION 42-3-106 (2) (a) acquired
2 on or after January 1, 1997, shall be determined by the property tax
3 administrator and shall be either:

4 (d) By whichever of the above three methods determined, the
5 taxable value of ~~each~~ EVERY item of Class F personal property AND OF
6 EVERY ITEM OF MOBILE MACHINERY AND SELF-PROPELLED CONSTRUCTION
7 EQUIPMENT OPERATED IN INTERSTATE COMMERCE THAT IS CLASSIFIED AS
8 CLASS A PERSONAL PROPERTY AS SPECIFIED IN SECTION 42-3-106 (2) (a)
9 shall be listed opposite its description in the schedule required by this
10 subsection (15) to be compiled by the property tax administrator.

11 (f) The county clerk and recorder shall include the value of all
12 equipment that has been mounted on or attached to Class F personal
13 property AND OF ALL ITEMS OF MOBILE MACHINERY AND SELF-PROPELLED
14 CONSTRUCTION EQUIPMENT OPERATED IN INTERSTATE COMMERCE THAT
15 ARE CLASSIFIED AS CLASS A PERSONAL PROPERTY AS SPECIFIED IN
16 SECTION 42-3-106 (2) (a) in the calculation of the annual specific
17 ownership tax. The registrations for such personal property and
18 equipment shall be made available to the county assessor.

19 (17) (a) For purposes of this subsection (17), unless the context
20 otherwise requires:

21 (III) "Special mobile machinery" means every item of Class F
22 personal property described in section 42-3-106 (2) (e), AND EVERY ITEM
23 OF MOBILE MACHINERY AND SELF-PROPELLED CONSTRUCTION EQUIPMENT
24 OPERATED IN INTERSTATE COMMERCE THAT IS CLASSIFIED AS CLASS A
25 PERSONAL PROPERTY AS SPECIFIED IN SECTION 42-3-106 (2) (a), that is
26 required to be registered under section 42-3-103.

27 **SECTION 3.** 42-3-304 (18) (a) and (24), Colorado Revised

1 Statutes, are amended to read:

2 **42-3-304. Registration fees - passenger and passenger-mile**
3 **taxes - clean screen fund.** (18) (a) In addition to any other fee imposed
4 by this section, the owner shall pay, at the time of registration, a fee of
5 fifty cents on every item of Class A, B, or C personal property, OTHER
6 THAN ITEMS OF MOBILE MACHINERY AND SELF-PROPELLED CONSTRUCTION
7 EQUIPMENT OPERATED IN INTERSTATE COMMERCE THAT ARE CLASSIFIED
8 AS CLASS A PERSONAL PROPERTY AS SPECIFIED IN SECTION 42-3-106 (2)
9 (a), required to be registered pursuant to this article. ~~Such~~ THE fee shall
10 be transmitted to the state treasurer, who shall credit ~~the same~~ IT to a
11 special account within the highway users tax fund, to be known as the
12 AIR account, and such moneys shall be used, subject to appropriation by
13 the general assembly, to cover the direct costs of the motor vehicle
14 emissions activities of the department of public health and environment
15 in the presently defined nonattainment area, and to pay for the costs of the
16 AIR QUALITY CONTROL commission in performing its duties under section
17 25-7-106.3, C.R.S. In the program areas within counties affected by this
18 article, the authorized agent shall impose and retain an additional fee of
19 up to seventy cents on every such registration to cover reasonable costs
20 of administration of the emissions compliance aspect of vehicle
21 registration. The department of public health and environment may
22 accept and expend grants, gifts, and moneys from any source for the
23 purpose of implementing its duties and functions under this section or
24 section 25-7-106.3, C.R.S.

25 (24) In addition to any other fee imposed by this section, at the
26 time of registration, the owner shall pay a fee of twenty-five cents on
27 every item of Class A, B, or C personal property, OTHER THAN ITEMS OF

1 MOBILE MACHINERY AND SELF-PROPELLED CONSTRUCTION EQUIPMENT
2 OPERATED IN INTERSTATE COMMERCE THAT ARE CLASSIFIED AS CLASS A
3 PERSONAL PROPERTY AS SPECIFIED IN SECTION 42-3-106 (2) (a), required
4 to be registered pursuant to this article. Notwithstanding the requirements
5 of section 43-4-203, C.R.S., ~~such~~ THE fee shall be transmitted to the state
6 treasurer, who shall credit ~~the same~~ IT to the peace officers standards and
7 training board cash fund, created in section 24-31-303 (2) (b), C.R.S.;
8 except that county ~~clerks~~ CLERK and recorders shall be entitled to retain
9 five percent of the fee collected to cover the ~~clerks'~~ CLERK AND
10 RECORDERS' expenses in the collection and remittance of ~~such~~ THE fee.
11 All of the moneys in the fund that are collected pursuant to this
12 subsection (24) shall be used by the peace officers standards and training
13 board for the purposes specified in section 24-31-310, C.R.S.

14 **SECTION 4. Act subject to petition - effective date.** (1) This
15 act shall take effect January 1, 2010.

16 (2) However, if a referendum petition is filed against this act or
17 an item, section, or part of this act during the 90-day period after final
18 adjournment of the general assembly that is allowed for submitting a
19 referendum petition pursuant to article V, section 1 (3) of the state
20 constitution, then the act, item, section, or part, shall not take effect unless
21 approved by the people at a biennial regular general election and shall
22 take effect on the date specified in subsection (1) or on the date of the
23 official declaration of the vote thereon by proclamation of the governor,
24 whichever is later.