

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

PREAMENDED

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

LLS NO. 09-0085.01 Esther van Mourik

HOUSE BILL 09-1029

HOUSE SPONSORSHIP

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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) (I) 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 CERTAIN MOBILE MACHINERY AS DEFINED IN SUBPARAGRAPH
12 (II) OF THIS PARAGRAPH (a), for which an application is made for
13 apportioned registration, regardless of base jurisdiction, shall be Class A
14 personal property.

15 (II) FOR PURPOSES OF THIS PARAGRAPH (a), "MOBILE MACHINERY"
16 MEANS ANY ITEM OF MOBILE MACHINERY AND SELF-PROPELLED
17 CONSTRUCTION EQUIPMENT OPERATED IN INTERSTATE COMMERCE THAT:

18 (A) HAS A TITLE ISSUED ON RECORD WITH THE STATE;

19 (B) IS EQUIPPED TO BE OPERATED ON HIGHWAYS AND COMPLIES
20 WITH RULES AND REGULATIONS ISSUED BY THE DEPARTMENT OF PUBLIC
21 SAFETY AS SPECIFIED IN SECTION 42-4-235 (4) (a);

22 (C) HAS A MILEAGE DEVICE TO REGISTER MILEAGE; AND

23 (D) IS A PLATED VEHICLE.

24 (e) EXCEPT AS PROVIDED IN PARAGRAPH (a) OF THIS SUBSECTION

1 (2), every item of mobile machinery and self-propelled construction
2 equipment required to be registered under this article shall be Class F
3 personal property.

4 **SECTION 2.** 42-3-107 (1) (a) (I), the introductory portion to
5 42-3-107 (2), 42-3-107 (3), (14), and (15) (a), the introductory portions
6 to 42-3-107 (15) (b) and (15) (c), and 42-3-107 (15) (d), (15) (f), and (17)
7 (a) (III), Colorado Revised Statutes, are amended, and the said 42-3-107
8 is further amended BY THE ADDITION OF A NEW SUBSECTION, to
9 read:

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

1 manufacturer's suggested retail price.

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

6 (2.5) THE ANNUAL SPECIFIC OWNERSHIP TAX PAYABLE ON EVERY
7 ITEM OF MOBILE MACHINERY AND SELF-PROPELLED CONSTRUCTION
8 EQUIPMENT OPERATED IN INTERSTATE COMMERCE THAT IS CLASSIFIED AS
9 CLASS A PERSONAL PROPERTY AS SPECIFIED IN SECTION 42-3-106 (2) (a)
10 SHALL BE COMPUTED IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

11	YEAR OF SERVICE	RATE OF TAX
12	FIRST YEAR	2.10% OF TAXABLE VALUE
13	SECOND YEAR	1.50% OF TAXABLE VALUE
14	THIRD YEAR	1.25% OF TAXABLE VALUE
15	FOURTH YEAR	1.00% OF TAXABLE VALUE
16	FIFTH YEAR	.75% OF TAXABLE VALUE
17	SIXTH AND EACH LATER YEAR	.50% OF TAXABLE VALUE,
18		BUT NOT LESS THAN \$ 5

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

1 owner.

2 (14) The department shall designate suitable compilations of the
3 manufacturer's suggested retail price or actual purchase price of all items
4 of Class A, Class B, Class C, and Class D personal property, OTHER THAN
5 ITEMS OF MOBILE MACHINERY AND SELF-PROPELLED CONSTRUCTION
6 EQUIPMENT OPERATED IN INTERSTATE COMMERCE THAT ARE CLASSIFIED
7 AS CLASS A PERSONAL PROPERTY AS SPECIFIED IN SECTION 42-3-106 (2)
8 (a), and shall provide each authorized agent with copies. Unless the
9 actual purchase price is used as the taxable value, such compilation shall
10 be uniformly used to compute the annual specific ownership tax payable
11 on any item of such classified personal property purchased outside
12 Colorado and registered for the first time in Colorado. Such actual
13 purchase price shall not be used unless the department receives or has
14 received a manufacturer's statement or certificate of origin for such
15 vehicle. The department shall provide continuing supplements of such
16 compilation to each authorized agent in order that the agent may have
17 available current information relative to the manufacturer's suggested
18 retail price of newly manufactured items.

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

27 (b) Except as provided in paragraph (c) of this subsection (15) for

1 property acquired prior to January 1, 1997, the taxable value of Class F
2 personal property AND OF ITEMS OF MOBILE MACHINERY AND
3 SELF-PROPELLED CONSTRUCTION EQUIPMENT OPERATED IN INTERSTATE
4 COMMERCE THAT ARE CLASSIFIED AS CLASS A PERSONAL PROPERTY AS
5 SPECIFIED IN SECTION 42-3-106 (2) (a) shall be determined by the property
6 tax administrator and shall be either:

7 (c) The taxable value of Class F personal property AND OF ITEMS
8 OF MOBILE MACHINERY AND SELF-PROPELLED CONSTRUCTION EQUIPMENT
9 OPERATED IN INTERSTATE COMMERCE THAT ARE CLASSIFIED AS CLASS A
10 PERSONAL PROPERTY AS SPECIFIED IN SECTION 42-3-106 (2) (a) acquired
11 on or after January 1, 1997, shall be determined by the property tax
12 administrator and shall be either:

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

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

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

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

9 **SECTION 3.** 42-3-304 (18) (a) and (24), Colorado Revised
10 Statutes, are amended to read:

11 **42-3-304. Registration fees - passenger and passenger-mile**
12 **taxes - clean screen fund.** (18) (a) In addition to any other fee imposed
13 by this section, the owner shall pay, at the time of registration, a fee of
14 fifty cents on every item of Class A, B, or C personal property, OTHER
15 THAN ITEMS OF MOBILE MACHINERY AND SELF-PROPELLED CONSTRUCTION
16 EQUIPMENT OPERATED IN INTERSTATE COMMERCE THAT ARE CLASSIFIED
17 AS CLASS A PERSONAL PROPERTY AS SPECIFIED IN SECTION 42-3-106 (2)
18 (a), required to be registered pursuant to this article. ~~Such~~ THE fee shall
19 be transmitted to the state treasurer, who shall credit ~~the same~~ IT to a
20 special account within the highway users tax fund, to be known as the
21 AIR account, and such moneys shall be used, subject to appropriation by
22 the general assembly, to cover the direct costs of the motor vehicle
23 emissions activities of the department of public health and environment
24 in the presently defined nonattainment area, and to pay for the costs of the
25 AIR QUALITY CONTROL commission in performing its duties under section
26 25-7-106.3, C.R.S. In the program areas within counties affected by this
27 article, the authorized agent shall impose and retain an additional fee of

1 up to seventy cents on every such registration to cover reasonable costs
2 of administration of the emissions compliance aspect of vehicle
3 registration. The department of public health and environment may
4 accept and expend grants, gifts, and moneys from any source for the
5 purpose of implementing its duties and functions under this section or
6 section 25-7-106.3, C.R.S.

7 (24) In addition to any other fee imposed by this section, at the
8 time of registration, the owner shall pay a fee of twenty-five cents on
9 every item of Class A, B, or C personal property, OTHER THAN ITEMS OF
10 MOBILE MACHINERY AND SELF-PROPELLED CONSTRUCTION EQUIPMENT
11 OPERATED IN INTERSTATE COMMERCE THAT ARE CLASSIFIED AS CLASS A
12 PERSONAL PROPERTY AS SPECIFIED IN SECTION 42-3-106 (2) (a), required
13 to be registered pursuant to this article. Notwithstanding the requirements
14 of section 43-4-203, C.R.S., ~~such~~ THE fee shall be transmitted to the state
15 treasurer, who shall credit ~~the same~~ IT to the peace officers standards and
16 training board cash fund, created in section 24-31-303 (2) (b), C.R.S.;
17 except that county ~~clerks~~ CLERK and recorders shall be entitled to retain
18 five percent of the fee collected to cover the ~~clerks'~~ CLERK AND
19 RECORDERS' expenses in the collection and remittance of ~~such~~ THE fee.
20 All of the moneys in the fund that are collected pursuant to this
21 subsection (24) shall be used by the peace officers standards and training
22 board for the purposes specified in section 24-31-310, C.R.S.

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

25 (2) However, if a referendum petition is filed against this act or
26 an item, section, or part of this act during the 90-day period after final
27 adjournment of the general assembly that is allowed for submitting a

1 referendum petition pursuant to article V, section 1 (3) of the state
2 constitution, then the act, item, section, or part, shall not take effect unless
3 approved by the people at a biennial regular general election and shall
4 take effect on the date specified in subsection (1) or on the date of the
5 official declaration of the vote thereon by proclamation of the governor,
6 whichever is later.