

**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. 10-0793.01 Jery Payne

HOUSE BILL 10-1285

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A BILL FOR AN ACT

101 **CONCERNING AN INCREASE IN FINES TO FUND TAX INCENTIVES FOR**
102 **COMMERCIAL VEHICLES.**

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.>)

The bill raises the fines on overweight motor vehicles and uses the additional fine money to fund a sales tax refund and an income credit for commercial vehicle investment in Colorado. A semitrailer is added to the sales tax refund. The effective dates of the sales tax refund and the income tax credit are moved up to begin in 2010 instead of 2011 and 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.

phase-in of the income tax is accelerated to begin immediately. The bill clarifies that a motor vehicle registered in Colorado, subsequently registered in another state, then reregistered in Colorado is not subject to taxes and fees due during the time it was registered in another state.

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

2 **SECTION 1.** Part 2 of article 1 of title 42, Colorado Revised
3 Statutes, is amended BY THE ADDITION OF A NEW SECTION to
4 read:

5 **42-1-224. Commercial vehicle enterprise tax fund - creation.**

6 THE COMMERCIAL VEHICLE ENTERPRISE TAX FUND IS HEREBY CREATED IN
7 THE STATE TREASURY. THE FUND CONSISTS OF MONEYS COLLECTED AND
8 TRANSMITTED TO THE FUND PURSUANT TO SECTION 42-4-1701 (4) (a) (II).
9 THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE THE MONEYS IN
10 THE FUND TO OFFSET THE COSTS OF THE SALES TAX REFUND CREATED BY
11 SECTION 39-26-113.5, C.R.S., AND THE CREDIT AGAINST INCOME TAX
12 CREATED PURSUANT TO SECTION 39-30-104 (1) (b), C.R.S. ANY MONEYS
13 REMAINING IN THE FUND AT THE END OF THE FISCAL YEAR SHALL NOT
14 REVERT TO THE GENERAL FUND. IF THE FUND CARRIES AN
15 UNAPPROPRIATED BALANCE FORWARD FOR THREE CONSECUTIVE YEARS,
16 THE STATE TREASURER SHALL CREDIT THE BALANCE TO THE HIGHWAY
17 USERS TAX FUND.

18 **SECTION 2.** 42-3-104, Colorado Revised Statutes, is amended
19 BY THE ADDITION OF A NEW SUBSECTION to read:

20 **42-3-104. Exemptions - specific ownership tax - registration**
21 **- domicile and residency - rules - definitions.** (11) A MOTOR VEHICLE
22 OR COMMERCIAL VEHICLE THAT WAS REGISTERED IN COLORADO,
23 SUBSEQUENTLY REGISTERED IN ANOTHER STATE, AND THEN REREGISTERED

1 IN COLORADO IS NOT SUBJECT TO THE SPECIFIC OWNERSHIP TAX OR
2 REGISTRATION FEES DURING THE PERIOD OF TIME THAT THE MOTOR
3 VEHICLE WAS REGISTERED IN ANOTHER STATE; EXCEPT THAT THE OWNER
4 OF A MOTOR VEHICLE WITH AN APPORTIONED REGISTRATION MAY BE
5 LIABLE FOR THE PORTION OF THE MILES TRAVELED IN COLORADO.

6 **SECTION 3.** 42-4-1701 (4) (a) (II), Colorado Revised Statutes,
7 is amended to read:

8 **42-4-1701. Traffic offenses and infractions classified -**
9 **penalties - penalty and surcharge schedule - repeal.**

10 (4) (a) (II) (A) ~~Any~~ A person convicted of violating section 42-4-507 or
11 42-4-508 shall be fined pursuant to this ~~subparagraph~~ (H)
12 SUB-SUBPARAGRAPH (A), whether the defendant acknowledges the
13 defendant's guilt pursuant to the procedure set forth in paragraph (a) of
14 subsection (5) of this section or is found guilty by a court of competent
15 jurisdiction. ~~Any violation of~~ A PERSON WHO VIOLATES section 42-4-507
16 or 42-4-508 shall be punished by a fine and surcharge as follows:

17 Excess Weight - Pounds	Penalty	Surcharge
18 1 - 3,000	\$15.00	\$14.00
19 3,001 - 4,250	25.00	24.00
20 4,251 - 4,500	50.00	46.00
21 4,501 - 4,750	55.00	52.00
22 4,751 - 5,000	60.00	58.00
23 5,001 - 5,250	65.00	62.00
24 5,251 - 5,500	75.00	70.00
25 5,501 - 5,750	85.00	80.00
26 5,751 - 6,000	95.00	92.00
27 6,001 - 6,250	105.00	98.00

1	6,251 - 6,500	125.00	120.00
2	6,501 - 6,750	145.00	138.00
3	6,751 - 7,000	165.00	158.00
4	7,001 - 7,250	185.00	176.00
5	7,251 - 7,500	215.00	208.00
6	7,501 - 7,750	245.00	234.00
7	7,751 - 8,000	275.00	262.00
8	8,001 - 8,250	305.00	292.00
9	8,251 - 8,500	345.00	330.00
10	8,501 - 8,750	385.00	370.00
11	8,751 - 9,000	425.00	408.00
12	9,001 - 9,250	465.00	448.00
13	9,251 - 9,500	515.00	494.00
14	9,501 - 9,750	565.00	544.00
15	9,751 - 10,000	615.00	590.00
16	10,001 - 10,250	665.00	640.00
17	Over 10,250	\$ 30.00	\$ 28.00
18		for each 250 pounds	for each 250 pounds
19		additional overweight,	additional overweight,
20		plus \$ 665.00	plus \$ 492.00
21	EXCESS WEIGHT - POUNDS	PENALTY	SURCHARGE
22	1 - 1,000	\$ 20.00	\$ 14.00
23	1,001 - 3,000	25.00	14.00
24	3,001 - 5,000	0.03 PER POUND OVERWEIGHT	48.00
25		ROUNDED TO THE NEAREST DOLLAR	
26	5,001 - 7,000	0.05 PER POUND OVERWEIGHT	108.00
27		ROUNDED TO THE NEAREST DOLLAR	

1	7,001 - 10,000	0.07 PER POUND OVERWEIGHT	384.00
2		ROUNDED TO THE NEAREST DOLLAR	
3	10,001 - 15,000	0.10 PER POUND OVERWEIGHT	1,892.00
4		ROUNDED TO THE NEAREST DOLLAR	
5	15,001 - 19,750	0.15 PER POUND OVERWEIGHT	2,438.00
6		ROUNDED TO THE NEAREST DOLLAR	
7	OVER 19,750	0.25 PER POUND OVERWEIGHT	\$ 28.00
8		ROUNDED TO THE NEAREST DOLLAR	

9 FOR EACH 250 POUNDS
10 ADDITIONAL OVERWEIGHT,
11 PLUS \$ 492.00

12 (B) THE STATE, COUNTY, CITY, OR CITY AND COUNTY ISSUING A
13 CITATION THAT RESULTS IN THE ASSESSMENT OF THE PENALTIES IN
14 SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (II) MAY RETAIN AND
15 DISTRIBUTE THE FOLLOWING AMOUNT OF THE PENALTY ACCORDING TO THE
16 LAW OF THE JURISDICTION THAT ASSESSES THE PENALTY, BUT THE
17 REMAINDER OF THE PENALTY SHALL BE TRANSMITTED TO THE STATE
18 TREASURER, WHO SHALL CREDIT THE MONEYS TO THE COMMERCIAL
19 VEHICLE ENTERPRISE TAX FUND CREATED IN SECTION 42-1-224:

20	EXCESS WEIGHT - POUNDS	PENALTY RETAINED
21	1 - 3,000	\$ 15.00
22	3,001 - 4,250	25.00
23	4,251 - 4,500	50.00
24	4,501 - 4,750	55.00
25	4,751 - 5,000	60.00
26	5,001 - 5,250	65.00
27	5,251 - 5,500	75.00

1	5,501 - 5,750	85.00
2	5,751 - 6,000	95.00
3	6,001 - 6,250	105.00
4	6,251 - 6,500	125.00
5	6,501 - 6,750	145.00
6	6,751 - 7,000	165.00
7	7,001 - 7,250	185.00
8	7,251 - 7,500	215.00
9	7,501 - 7,750	245.00
10	7,751 - 8,000	275.00
11	8,001 - 8,250	305.00
12	8,251 - 8,500	345.00
13	8,501 - 8,750	385.00
14	8,751 - 9,000	425.00
15	9,001 - 9,250	465.00
16	9,251 - 9,500	515.00
17	9,501 - 9,750	565.00
18	9,751 - 10,000	615.00
19	10,001 - 10,250	665.00
20	OVER 10,250	\$ 30.00

21 FOR EACH 250 POUNDS
22 ADDITIONAL OVERWEIGHT,
23 PLUS \$ 665.00

24 **SECTION 4.** 39-26-113.5 (1) (a), Colorado Revised Statutes, is
25 amended to read:

26 **39-26-113.5. Refund of state sales taxes for vehicles used in**
27 **interstate commerce - fund.** (1) (a) For the calendar year commencing

1 on January 1, ~~2011~~ 2010, and for each calendar year thereafter, a taxpayer
2 may claim a refund of a percentage of all state sales and use taxes paid by
3 the taxpayer pursuant to this part 1 and part 2 of this article on the sale,
4 storage, or use of a model year 2010 or newer truck tractor with a gross
5 vehicle weight rating of twenty-six thousand pounds or greater OR
6 SEMITRAILER IF THE TRUCK TRACTOR OR SEMITRAILER IS designated as
7 Class A personal property as specified in section 42-3-106 (2) (a), C.R.S.

8 **SECTION 5.** 39-30-104 (1) (b) (I), (1) (b) (II), and (1) (b) (IV),
9 Colorado Revised Statutes, are amended to read:

10 **39-30-104. Credit against tax - investment in certain property**

11 **- repeal.** (1) (b) (I) For income tax years commencing on or after
12 January 1, ~~2011~~ 2010, but before January 1, ~~2016~~ 2015, a commercial
13 truck, truck tractor, tractor, or semitrailer with a gross vehicle weight
14 rating of sixteen thousand pounds or greater that is model year 2010 or
15 newer, as well as any parts associated with the vehicle at the time of
16 purchase, shall be deemed to be used solely and exclusively in an
17 enterprise zone if it is licensed and registered within the state and
18 predominantly housed and based at the taxpayer's business trucking
19 facility within an enterprise zone for the twelve-month period following
20 its purchase.

21 (II) The income tax credit for a qualified investment in a
22 commercial truck, truck tractor, tractor, or semitrailer with a gross vehicle
23 weight rating of sixteen thousand pounds or greater that is model year
24 2010 or newer, as well as any parts associated with the vehicle at the time
25 of purchase, shall be ~~allowed as follows:~~

26 ~~(A) For the income tax year commencing on January 1, 2011, an~~
27 ~~amount equal to one-half of one percent of the total qualified investment;~~

1 ~~(B) For the income tax year commencing on January 1, 2012, an~~
2 ~~amount equal to one percent of the total qualified investment;~~

3 ~~(C) For the income tax year commencing on January 1, 2013, an~~
4 ~~amount equal to one and one-half percent of the total qualified~~
5 ~~investment;~~

6 ~~(D) For the income tax year commencing on January 1, 2014, an~~
7 ~~amount equal to two percent of the total qualified investment; and~~

8 ~~(E) For the income tax year commencing on January 1, 2015, an~~
9 ~~amount equal to three percent of the total qualified investment.~~

10 (IV) This paragraph (b) is repealed, effective January 1, 2017
11 2016.

12 **SECTION 6. Act subject to petition - effective date.** This act
13 shall take effect at 12:01 a.m. on the day following the expiration of the
14 ninety-day period after final adjournment of the general assembly (August
15 11, 2010, if adjournment sine die is on May 12, 2010); except that, if a
16 referendum petition is filed pursuant to section 1 (3) of article V of the
17 state constitution against this act or an item, section, or part of this act
18 within such period, then the act, item, section, or part shall not take effect
19 unless approved by the people at the general election to be held in
20 November 2010 and shall take effect on the date of the official
21 declaration of the vote thereon by the governor.