

Second Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 10-0393.01 Ed DeCecco

SENATE BILL 10-086

SENATE SPONSORSHIP

Scheffel,

HOUSE SPONSORSHIP

Priola,

Senate Committees
State, Veterans & Military Affairs

House Committees

A BILL FOR AN ACT

101 CONCERNING A PHASED-IN EXEMPTION FOR FULLY DEPRECIATED
102 BUSINESS PERSONAL PROPERTY.

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/billssummaries>.)

The bill exempts a percentage of all business personal property that is fully depreciated beginning in the 2011 property tax year. The exemption percentage starts at 25% and increases every 4 years until the property is entirely exempt beginning with the 2023 property tax year.

The bill also clarifies that the new exemption shall apply before an

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.

existing exemption, which is on a per personal property schedule basis.

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

2 **SECTION 1.** 39-3-118.5, Colorado Revised Statutes, is amended
3 to read:

4 **39-3-118.5. Business personal property - exemptions -**
5 **depreciation.** (1) For property tax years commencing on and after
6 January 1, 1996, business personal property shall be exempt from the levy
7 and collection of property tax until such business personal property is first
8 used in the business after acquisition.

9 (2) A PERCENTAGE OF ALL BUSINESS PERSONAL PROPERTY THAT IS
10 FULLY DEPRECIATED ACCORDING TO THE MANUALS, APPRAISAL
11 PROCEDURES, AND INSTRUCTIONS PREPARED AND PUBLISHED BY THE
12 PROPERTY TAX ADMINISTRATOR PURSUANT TO SECTION 39-2-109 (1) (e)
13 SHALL BE EXEMPT FROM THE LEVY AND COLLECTION OF PROPERTY TAX.
14 THE PERCENTAGES FOR EACH YEAR SHALL BE AS FOLLOWS:

15 (a) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1,
16 2011, AND THE NEXT THREE PROPERTY TAX YEARS THEREAFTER,
17 TWENTY-FIVE PERCENT;

18 (b) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1,
19 2015, AND THE NEXT THREE PROPERTY TAX YEARS THEREAFTER, FIFTY
20 PERCENT;

21 (c) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1,
22 2019, AND THE NEXT THREE PROPERTY TAX YEARS THEREAFTER,
23 SEVENTY-FIVE PERCENT; AND

24 (d) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1,
25 2023, AND FOR EACH PROPERTY TAX YEAR THEREAFTER, ONE HUNDRED

1 PERCENT.

2 (3) THE EXEMPTION CREATED IN SUBSECTION (2) OF THIS SECTION
3 SHALL APPLY BEFORE THE EXEMPTION CREATED IN SECTION 39-3-119.5.

4 **SECTION 2. Act subject to petition - effective date.** This act
5 shall take effect at 12:01 a.m. on the day following the expiration of the
6 ninety-day period after final adjournment of the general assembly (August
7 11, 2010, if adjournment sine die is on May 12, 2010); except that, if a
8 referendum petition is filed pursuant to section 1 (3) of article V of the
9 state constitution against this act or an item, section, or part of this act
10 within such period, then the act, item, section, or part shall not take effect
11 unless approved by the people at the general election to be held in
12 November 2010 and shall take effect on the date of the official
13 declaration of the vote thereon by the governor.