

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

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 11-0118.01 Ed DeCecco

HOUSE BILL 11-1109

HOUSE SPONSORSHIP

Liston, Balmer, Bradford, DelGrosso, Holbert, Kerr J., Looper, Nikkel, Priola, Ramirez, Schafer S., Stephens

SENATE SPONSORSHIP

Giron,

House Committees
Local Government

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE AUTHORITY FOR A LOCAL GOVERNMENT TO CREATE**
102 **AN EXEMPTION FROM LOCAL SALES TAX FOR THE SALE OF**
103 **EQUIPMENT USED DIRECTLY IN THE PROVISION OF**
104 **TELECOMMUNICATIONS SERVICES.**

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 grants a town, city, or county the authority to exempt from local sales tax the sales of machinery and equipment used directly in 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.*

HOUSE
3rd Reading Unamended
February 15, 2011

HOUSE
Amended 2nd Reading
February 14, 2011

provision of intrastate telephone and telegraph service or mobile telecommunications service. Such machinery and equipment would remain subject to the state sales tax.

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

2 **SECTION 1.** 29-2-105, Colorado Revised Statutes, is amended
3 BY THE ADDITION OF A NEW SUBSECTION to read:

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

5 (10) (a) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE
6 CONTRARY, AND EXCEPT AS PROVIDED IN PARAGRAPH (b) OF THIS
7 SUBSECTION (10), A TOWN, CITY, OR COUNTY MAY EXEMPT SALES TO A
8 TELECOMMUNICATIONS PROVIDER OF EQUIPMENT USED DIRECTLY IN THE
9 PROVISION OF TELEPHONE AND TELEGRAPH SERVICE, CABLE TELEVISION
10 SERVICE, BROADBAND COMMUNICATIONS SERVICE, OR MOBILE
11 TELECOMMUNICATIONS SERVICE. IF THE EXEMPTION IS ADOPTED AS AN
12 AMENDMENT TO THE INITIAL SALES TAX ORDINANCE OR RESOLUTION, SUCH
13 AMENDMENT IS NOT REQUIRED TO BE ADOPTED IN THE SAME MANNER AS
14 THE INITIAL ORDINANCE OR RESOLUTION.

15 (b) A TOWN, CITY, OR COUNTY MAY NOT ADOPT AN EXEMPTION
16 PURSUANT TO THE AUTHORITY SET FORTH IN PARAGRAPH (a) OF THIS
17 SUBSECTION (10) UNLESS THE EXEMPTION APPLIES IN A UNIFORM AND
18 NONDISCRIMINATORY MANNER TO THE TELECOMMUNICATIONS PROVIDERS
19 OF TELEPHONE AND TELEGRAPH SERVICE, CABLE TELEVISION SERVICE,
20 BROADBAND COMMUNICATIONS SERVICE, AND MOBILE
21 TELECOMMUNICATIONS SERVICE.

22 **SECTION 2. Act subject to petition - effective date.** This act
23 shall take effect at 12:01 a.m. on the day following the expiration of the
24 ninety-day period after final adjournment of the general assembly (August

1 10, 2011, if adjournment sine die is on May 11, 2011); except that, if a
2 referendum petition is filed pursuant to section 1 (3) of article V of the
3 state constitution against this act or an item, section, or part of this act
4 within such period, then the act, item, section, or part shall not take effect
5 unless approved by the people at the general election to be held in
6 November 2012 and shall take effect on the date of the official
7 declaration of the vote thereon by the governor.