

First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

REENGROSSED

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

LLS NO. 13-0490.02 Esther van Mourik x4215

HOUSE BILL 13-1295

HOUSE SPONSORSHIP

Ferrandino, Court, Hullinghorst, Levy, Pabon

SENATE SPONSORSHIP

Heath,

House Committees

Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE IMPLEMENTATION OF THE MINIMUM**
102 **SIMPLIFICATION REQUIREMENTS OF THE PROPOSED FEDERAL**
103 **"MARKETPLACE FAIRNESS ACT OF 2013" IN ORDER FOR THE**
104 **STATE TO BE AUTHORIZED BY THE FEDERAL GOVERNMENT TO**
105 **REQUIRE REMOTE SELLERS TO COLLECT SALES TAX ON TAXABLE**
106 **SALES MADE WITHIN THE STATE.**

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>.)

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
April 26, 2013

HOUSE
Amended 2nd Reading
April 25, 2013

The 113th Congress is considering legislation, cited as the "Marketplace Fairness Act of 2013" (federal act) that, if enacted, grants states the authority to compel certain out-of-state retailers with gross annual receipts in total remote sales of more than \$1,000,000 (remote sellers) to collect and remit sales tax on behalf of the state and local taxing jurisdictions at the time of a transaction when the item purchased will be delivered in the state. Local retailers are already required to collect sales tax on behalf of the state and local taxing jurisdictions at the time of a local transaction. The federal act specifies that states are only granted this authority after certain minimum simplification requirements are met. The bill meets those minimum simplification requirements by:

- ! Establishing remote sales as a part of existing sales tax law;
- ! Specifying that only the state's sales tax base, not a local sales tax base, will apply to all remote sales;
- ! Requiring that the department of revenue be responsible for all state and local sales tax administration, return processing, including the establishment of a single form for returns, and audits for remote sales;
- ! Establishing the sourcing definition provided in the federal act in order to properly source all interstate sales to the state;
- ! Requiring the department of revenue to provide information to remote sellers that indicates the taxability of products and services along with any product and service exemptions from sales tax in the state;
- ! Requiring the department of revenue to provide remote sellers a sales tax rate database and a database of local taxing jurisdiction boundaries;
- ! Requiring the department of revenue to provide, or to contract with certified software providers to provide on its behalf, software to remote sellers, free of charge, that calculates sales taxes due on each transaction at the time the transaction is completed, files sales tax returns, and updates to reflect any tax rate changes for the state or any local taxing jurisdiction; and
- ! Providing the required relief of liability to remote sellers for errors.

The bill allows local taxing jurisdictions governed by a home rule charter to opt in by passing an ordinance or resolution accepting the state's administration and distribution of its local sales tax on remote sales that is collected and remitted by remote sellers in conformance with the provisions of the bill.

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

1 **SECTION 1. Legislative declaration.** (1) The general assembly
2 hereby finds and declares that:

3 (a) It is established in the state's constitution that local taxing
4 jurisdictions governed by a home rule charter generally have the authority
5 to regulate taxation within their jurisdiction; and

6 (b) It is therefore the general assembly's intent to allow local
7 taxing jurisdictions governed by a home rule charter to opt into this act by
8 passing an ordinance or resolution accepting the state's administration and
9 distribution of its local sales tax on remote sales that is collected and
10 remitted by remote sellers in conformance with the provisions of House
11 **Bill 13-1295.**

12 **SECTION 2.** In Colorado Revised Statutes, 39-26-102, **amend**
13 (5.7), (8), and (9); and **add** (5.6), (7.6), and (7.7) as follows:

14 **39-26-102. Definitions.** As used in this article, unless the context
15 otherwise requires:

16 (5.6) "LIVESTOCK PRODUCTION FACILITY" MEANS ANY STRUCTURE
17 USED PREDOMINATELY FOR THE HOUSING, CONTAINING, SHELTERING, OR
18 FEEDING OF LIVESTOCK, INCLUDING, WITHOUT LIMITATION, BARNs,
19 CORRALS, FEEDLOTS, AND SWINE HOUSES.

20 (5.7) (a) ~~"Livestock production facility" means any structure used~~
21 ~~predominantly for the housing, containing, sheltering, or feeding of~~
22 ~~livestock, including, without limitation, barns, corrals, feedlots, and swine~~
23 ~~houses~~ "LOCAL TAXING JURISDICTION" MEANS A CITY, TOWN,
24 MUNICIPALITY, COUNTY, SPECIAL DISTRICT, OR AUTHORITY AUTHORIZED
25 TO LEVY A SALES TAX PURSUANT TO TITLE 24, 25, 29, 30, 31, 32, 37, 42, OR
26 43, C.R.S., AND ANY MUNICIPALITY GOVERNED BY A HOME RULE CHARTER
27 THAT PASSES AN ORDINANCE, RESOLUTION, OR CHARTER PROVISION

1 ACCEPTING THE STATE'S ADMINISTRATION AND DISTRIBUTION OF ITS
2 LOCAL SALES TAX ON REMOTE SALES THAT IS COLLECTED AND REMITTED
3 BY REMOTE SELLERS IN CONFORMANCE WITH THE PROVISIONS OF HOUSE
4 BILL 13-1295.

5 (b) ANY MUNICIPALITY GOVERNED BY A HOME RULE CHARTER
6 THAT PASSES AN ORDINANCE, RESOLUTION, OR CHARTER PROVISION
7 ACCEPTING THE STATE'S ADMINISTRATION AND DISTRIBUTION OF ITS
8 LOCAL SALES TAX ON REMOTE SALES THAT IS COLLECTED AND REMITTED
9 BY REMOTE SELLERS IN CONFORMANCE WITH THE PROVISIONS OF HOUSE
10 BILL 13-1295 MUST PROVIDE A COPY OF SUCH ORDINANCE, RESOLUTION,
11 OR CHARTER PROVISION TO THE DEPARTMENT OF REVENUE NO LATER THAN
12 THIRTY DAYS AFTER ITS ADOPTION.

13 (7.6) "REMOTE SALE" MEANS A SALE INTO THIS STATE IN WHICH
14 THE RETAILER WOULD NOT LEGALLY BE REQUIRED TO PAY, COLLECT, OR
15 REMIT STATE OR LOCAL SALES TAXES UNLESS PROVIDED BY AN ACT OF
16 CONGRESS.

17
18 (7.7) "REMOTE SELLER" MEANS A PERSON WHO MAKES A REMOTE
19 SALE; EXCEPT THAT A REMOTE SELLER DOES NOT INCLUDE A SMALL
20 SELLER AS DEFINED IN AN ACT OF CONGRESS THAT AUTHORIZES STATES TO
21 REQUIRE CERTAIN RETAILERS TO PAY, COLLECT, OR REMIT STATE OR LOCAL
22 SALES TAXES.

23 (8) "Retailer" or "vendor" means a person doing business in this
24 state, INCLUDING A REMOTE SELLER, known to the trade and public as
25 such, and selling to the user or consumer, and not for resale.

26 (9) "Retail sale" includes all sales made within the state except
27 wholesale sales, AND INCLUDES REMOTE SALES. FOR ITEMS DELIVERED BY

1 THE RETAILER, A RETAIL SALE IS MADE AT THE LOCATION WHERE THE ITEM
2 SOLD IS RECEIVED BY THE PURCHASER, BASED ON THE LOCATION
3 INDICATED BY INSTRUCTIONS FOR DELIVERY THAT THE PURCHASER
4 FURNISHES TO THE RETAILER. WHEN NO DELIVERY LOCATION IS SPECIFIED,
5 THE REMOTE SALE IS SOURCED TO THE CUSTOMER'S ADDRESS THAT IS
6 EITHER KNOWN TO THE RETAILER OR, IF NOT KNOWN, OBTAINED BY THE
7 RETAILER DURING THE CONSUMMATION OF THE TRANSACTION, INCLUDING
8 THE ADDRESS OF THE CUSTOMER'S PAYMENT INSTRUMENT IF NO OTHER
9 ADDRESS IS AVAILABLE. IF AN ADDRESS IS UNKNOWN AND A BILLING
10 ADDRESS CANNOT BE OBTAINED, THE REMOTE SALE IS SOURCED TO THE
11 ADDRESS OF THE RETAILER FROM WHICH THE REMOTE SALE WAS MADE.

12 **SECTION 3.** In Colorado Revised Statutes, 39-26-103, **amend**
13 (1) (c), (2), (4), and (7) as follows:

14 **39-26-103. Licenses - fee - revocation.** (1) (c) For each license
15 issued, a fee of sixteen dollars shall be paid, which fee shall accompany
16 the application together with an additional fifty-dollar deposit; EXCEPT
17 THAT THE ADDITIONAL DEPOSIT MAY NOT BE REQUIRED OF A REMOTE
18 SELLER. A further fee of sixteen dollars shall be paid for each two-year
19 period or fraction thereof for which said license is renewed. Payment of
20 a fee for such a license issued after June 30 shall be prorated in
21 increments of six months. The fifty-dollar deposit shall be allowed as a
22 credit against the Colorado sales tax to be remitted. Except for licenses
23 issued pursuant to paragraph (b) of subsection (9) of this section, all
24 licenses issued pursuant to this section shall be renewed on a biennial
25 basis, effective January 1, 1986.

26 (2) (a) ~~In case business is transacted~~ IF A RETAILER MAKES RETAIL
27 SALES at two or more separate places ~~by one person~~ OF BUSINESS IN THE

1 STATE, a separate license for each place of business shall be required.

2 (b) A REMOTE SELLER IS ONLY REQUIRED TO HAVE A SINGLE
3 LICENSE.

4 (4) The executive director OF THE DEPARTMENT OF REVENUE, after
5 reasonable notice and a full hearing, may revoke the license of any person
6 found by him or her to have violated any provision of this article. Any
7 ~~person engaged in the business of selling at retail in this state~~ RETAILER
8 WHO MAKES RETAIL SALES without securing a license therefor commits a
9 class 3 misdemeanor and shall be punished according to section
10 18-1.3-501, C.R.S. Any ~~person~~ RETAILER who ~~engages in the business of~~
11 ~~selling at retail in this state~~ MAKES RETAIL SALES without a license may
12 also be subject to a civil penalty of fifty dollars per day to a maximum
13 penalty of one thousand dollars. Such penalty shall be assessed by the
14 executive director or his or her authorized agent and shall be waived or
15 reduced if such failure to obtain such license is due to reasonable cause
16 and not willful neglect or intent to defraud.

17 (7) It is the duty of the executive director OF THE DEPARTMENT OF
18 REVENUE, at the time of issuance of any new license ~~for the business of~~
19 ~~selling at retail under this part 1~~, FOR A RETAILER WHO MAKES RETAIL
20 SALES, EXCEPT FOR A REMOTE SELLER, to notify the county treasurer of the
21 county where the new licensee is located, of the name and address of the
22 licensee.

23 **SECTION 4.** In Colorado Revised Statutes, 39-26-104, **amend**
24 (1) introductory portion; and **add** (2) as follows:

25 **39-26-104. Property and services taxed.** (1) EXCEPT AS
26 PROVIDED IN SUBSECTION (2), there is levied and there shall be collected
27 and paid a tax in the amount stated in section 39-26-106 as follows:

1 (2) UPON THE EFFECTIVE DATE OF AN ACT OF CONGRESS THAT
2 AUTHORIZES STATES TO REQUIRE CERTAIN RETAILERS TO PAY, COLLECT,
3 OR REMIT STATE OR LOCAL SALES TAXES:

4 (a) (I) WITH RESPECT TO REMOTE SALES THERE IS LEVIED AND
5 THERE SHALL BE COLLECTED AND PAID BY REMOTE SELLERS ON EVERY
6 INCIDENT SUBJECT TO TAX AS SET FORTH IN SUBSECTION (1) OF THIS
7 SECTION, BUT NOT INCLUDING THE INCIDENTS SET FORTH IN PARAGRAPH
8 (e) OF THIS SUBSECTION (2), A TAX AT THE RATE SPECIFIED IN SECTION
9 39-26-106. ANY EXEMPTIONS WITH RESPECT TO PART 1 OF THIS ARTICLE
10 AS SET FORTH IN THIS TITLE ARE APPLICABLE.

11 (II) IN ADDITION TO SUBPARAGRAPH (I) OF THIS PARAGRAPH (a),
12 EVERY REMOTE SELLER SHALL COLLECT AND REMIT, AS PROVIDED IN
13 SECTION 39-26-122.7, THE SALES TAX AT THE GENERAL SALES TAX RATE
14 LEVIED BY A LOCAL TAXING JURISDICTION; EXCEPT THAT SUCH SALES TAX
15 SHALL ONLY BE COLLECTED ON EVERY INCIDENT SUBJECT TO TAX AS SET
16 FORTH IN SUBSECTION (1) OF THIS SECTION. ANY EXEMPTIONS WITH
17 RESPECT TO PART 1 OF THIS ARTICLE AS SET FORTH IN THIS TITLE ARE
18 APPLICABLE.

19 (b) NOTWITHSTANDING ANY PROVISION OF LAW, A LOCAL TAXING
20 JURISDICTION MAY NOT COLLECT A SALES OR USE TAX ON REMOTE SALES
21 EXCEPT AS PROVIDED IN THIS SUBSECTION (2).

22 (c) NOTWITHSTANDING ANY PROVISION OF LAW, WITH RESPECT TO
23 A LOCAL TAXING JURISDICTION, THE EFFECTIVE DATE OF ANY CHANGE IN
24 THE GENERAL SALES TAX RATE OF THE LOCAL TAXING JURISDICTION SHALL
25 BE EITHER JANUARY 1 OR JULY 1 FOLLOWING THE DATE OF THE ELECTION
26 IN WHICH SUCH A SALES TAX PROPOSAL IS APPROVED; AND NOTICE OF THE
27 ADOPTION OF ANY SALES TAX PROPOSAL SHALL BE SUBMITTED BY THE

1 LOCAL TAXING JURISDICTION TO THE EXECUTIVE DIRECTOR OF THE
2 DEPARTMENT OF REVENUE AT LEAST ONE HUNDRED DAYS PRIOR TO THE
3 EFFECTIVE DATE OF SUCH TAX. IF SUCH A SALES TAX PROPOSAL IS
4 APPROVED AT AN ELECTION HELD LESS THAN ONE HUNDRED FIVE DAYS
5 PRIOR TO THE JANUARY 1 OR JULY 1 FOLLOWING THE DATE OF ELECTION,
6 SUCH SALES TAX PROPOSAL SHALL NOT BE EFFECTIVE UNTIL THE NEXT
7 SUCCEEDING JANUARY 1 OR JULY 1.

8 (d) FOR THE PURPOSE OF THE ADMINISTRATION BY THE STATE OF
9 THE PROVISIONS OF THIS SUBSECTION (2), EACH LOCAL TAXING
10 JURISDICTION SHALL FILE, PURSUANT TO SECTION 29-2-109, C.R.S., WITH
11 THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE A COPY OF
12 EACH SALES TAX ORDINANCE OR RESOLUTION, OR ANY AMENDMENT
13 THERETO, THAT CHANGES THE GENERAL SALES TAX RATE DESCRIBED IN
14 PARAGRAPH (a) OF THIS SUBSECTION (2), AND A COPY OF ANY ORDINANCE
15 OR RESOLUTION THAT CHANGES THE LOCAL TAXING JURISDICTION'S
16 BOUNDARIES, NO LATER THAN ONE HUNDRED DAYS BEFORE THE EFFECTIVE
17 DATE THEREOF.

18 (e) NOTWITHSTANDING ANY PROVISIONS OF LAW, THE FOLLOWING
19 INCIDENTS ARE NOT SUBJECT TO THE COLLECTION AND PAYMENT OF SALES
20 TAX BY REMOTE SELLERS AS SET FORTH IN PARAGRAPH (a) OF THIS
21 SUBSECTION (2):

22 (I) DIRECT MAIL ADVERTISING MATERIALS AS DEFINED IN SECTION
23 39-26-102 (2.8);

24 (II) CANDY AS DEFINED IN SECTION 39-26-707 (1.5) (b) (I);

25 (III) SOFT DRINKS AS DEFINED IN SECTION 39-26-707 (1.5) (b) (II);

26 (IV) NONESSENTIAL ARTICLES AS DESCRIBED IN SECTION
27 39-26-707 (1) (c); AND

1 (V) NONESSENTIAL CONTAINERS OR BAGS AS DESCRIBED IN
2 SECTION 39-26-707 (1) (d).

3 **SECTION 5.** In Colorado Revised Statutes, **repeal and reenact,**
4 **with amendments,** 39-26-105 as follows:

5 **39-26-105. Vendor liable for tax - repeal.** (1) (a) (I) (A) EXCEPT
6 AS PROVIDED IN SUB-SUBPARAGRAPH (B) OF THIS SUBPARAGRAPH (I) AND
7 IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (a), EVERY RETAILER SHALL,
8 IRRESPECTIVE OF THE PROVISIONS OF SECTION 39-26-106, BE LIABLE AND
9 RESPONSIBLE FOR THE PAYMENT OF AN AMOUNT EQUIVALENT TO TWO AND
10 NINETY ONE-HUNDREDTHS PERCENT OF ALL SALES MADE ON OR AFTER
11 JANUARY 1, 2001, BY THE RETAILER OF COMMODITIES OR SERVICES AS
12 SPECIFIED IN SECTION 39-26-104.

13 (B) A RETAILER WHO HAS RECEIVED IN GOOD FAITH FROM A
14 QUALIFIED PURCHASER A DIRECT PAYMENT PERMIT NUMBER ISSUED
15 PURSUANT TO SECTION 39-26-103.5 SHALL NOT BE LIABLE OR RESPONSIBLE
16 FOR THE COLLECTION AND REMITTANCE OF THE TAX IMPOSED BY THIS
17 ARTICLE ON ANY SALE MADE TO THE QUALIFIED PURCHASER THAT IS PAID
18 FOR DIRECTLY FROM SUCH QUALIFIED PURCHASER'S FUNDS AND NOT THE
19 PERSONAL FUNDS OF ANY INDIVIDUAL.

20 (II) A REMOTE SELLER SHALL BE LIABLE AND RESPONSIBLE FOR
21 THE PAYMENT OF THE AMOUNTS SPECIFIED IN SECTION 39-26-104 (2) (a).

22 (b) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
23 PARAGRAPH (b), EVERY RETAILER SHALL, BEFORE THE TWENTIETH DAY OF
24 EACH MONTH, MAKE A RETURN TO THE EXECUTIVE DIRECTOR OF THE
25 DEPARTMENT OF REVENUE FOR THE PRECEDING CALENDAR MONTH. THE
26 EXECUTIVE DIRECTOR SHALL DETERMINE WHAT INFORMATION THE
27 RETURNS MUST CONTAIN, HOW THE RETURNS MUST BE MADE, AND THE

1 TYPE OF FORMS THAT MUST BE USED.

2 (II) EVERY REMOTE SELLER SHALL MAKE A RETURN TO THE
3 EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE AS SPECIFIED IN
4 SECTION 39-26-122.7.

5 (c) (I) (A) EXCEPT AS PROVIDED IN SUB-SUBPARAGRAPH (B) OF
6 THIS SUBPARAGRAPH (I), EVERY RETAILER SHALL REMIT, ALONG WITH THE
7 RETURN REQUIRED IN PARAGRAPH (b) OF THIS SUBSECTION (1), AN
8 AMOUNT EQUIVALENT TO THE PERCENTAGE ON SALES AS SPECIFIED IN
9 SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS SUBSECTION (1) TO THE
10 EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE, LESS AN AMOUNT
11 AS SET FORTH IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (c) TO COVER
12 THE RETAILER'S EXPENSE IN THE COLLECTION AND REMITTANCE OF SAID
13 TAX.

14 (B) EVERY REMOTE SELLER SHALL REMIT, ALONG WITH THE
15 RETURN REQUIRED IN PARAGRAPH (b) OF THIS SUBSECTION (1), THE
16 AMOUNTS SPECIFIED IN SECTION 39-26-104 (2) (a), LESS AN AMOUNT AS
17 SET FORTH IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (c) TO COVER THE
18 RETAILER'S EXPENSE IN THE COLLECTION AND REMITTANCE OF SAID TAX.

19 (II) EXCEPT AS PROVIDED IN SECTION 39-26-105.3 (8) (b) (III):

20 (A) EXCEPT AS PROVIDED IN SUB-SUBPARAGRAPH (B), THE
21 AMOUNT RETAINED BY A RETAILER TO COVER THE RETAILER'S EXPENSE IN
22 COLLECTING AND REMITTING TAX PURSUANT TO THIS SECTION SHALL BE
23 THREE AND ONE-THIRD PERCENT OF ALL SALES TAX REPORTED.

24 (B) FOR A TWELVE-MONTH PERIOD COMMENCING UPON THE FIRST
25 DAY OF THE THIRD MONTH FOLLOWING THE EFFECTIVE DATE OF ANY ACT
26 OF CONGRESS AUTHORIZING STATES TO REQUIRE CERTAIN RETAILERS TO
27 PAY, COLLECT, OR REMIT STATE OR LOCAL SALES TAX, THE PERCENTAGE

1 OF ALL SALES TAX REPORTED AS SPECIFIED IN SUB-SUBPARAGRAPH (A) OF
2 THIS SUBPARAGRAPH (II) SHALL BE REDUCED BY ONE HUNDRED FIVE
3 ONE-THOUSANDTHS PERCENTAGE POINTS.

4 (III) IF ANY RETAILER IS DELINQUENT IN REMITTING SAID TAX,
5 OTHER THAN IN UNUSUAL CIRCUMSTANCES SHOWN TO THE SATISFACTION
6 OF THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE, THE
7 RETAILER SHALL NOT BE ALLOWED TO RETAIN ANY AMOUNTS TO COVER
8 SUCH RETAILER'S EXPENSE IN COLLECTING AND REMITTING SAID TAX, AND
9 AN AMOUNT EQUIVALENT TO THE SAID PERCENTAGE, PLUS THE AMOUNT
10 OF ANY LOCAL VENDOR EXPENSE THAT MAY BE ALLOWED BY THE LOCAL
11 GOVERNMENT TO THE VENDOR, SHALL BE REMITTED TO THE EXECUTIVE
12 DIRECTOR BY ANY SUCH DELINQUENT VENDOR. ANY LOCAL VENDOR
13 EXPENSE REMITTED TO THE EXECUTIVE DIRECTOR SHALL BE DEPOSITED TO
14 THE STATE GENERAL FUND.

15 (2) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE
16 MAY EXTEND THE TIME FOR MAKING A RETURN AND PAYING THE TAXES
17 DUE UNDER SUCH REASONABLE RULES AS THE EXECUTIVE DIRECTOR MAY
18 PRESCRIBE, BUT NO SUCH EXTENSION SHALL BE FOR A GREATER PERIOD
19 THAN IS PROVIDED FOR IN SECTION 39-26-109.

20 (3) THE BURDEN OF PROVING THAT ANY RETAILER IS EXEMPT FROM
21 COLLECTING THE TAX ON ANY GOODS SOLD AND PAYING THE SAME TO THE
22 EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE, OR FROM
23 MAKING SUCH RETURNS, SHALL BE ON THE RETAILER UNDER SUCH
24 REASONABLE REQUIREMENTS OF PROOF AS THE EXECUTIVE DIRECTOR MAY
25 PRESCRIBE.

26 (4) EVERY RETAILER CONDUCTING A BUSINESS IN WHICH THE
27 TRANSACTION BETWEEN THE RETAILER AND THE CONSUMER CONSISTS OF

1 THE SUPPLYING OF TANGIBLE PERSONAL PROPERTY AND SERVICES IN
2 CONNECTION WITH THE MAINTENANCE OR SERVICING OF THE SAME SHALL
3 BE REQUIRED TO PAY THE TAXES LEVIED UNDER THIS ARTICLE UPON THE
4 FULL CONTRACT PRICE, UNLESS APPLICATION IS MADE TO THE EXECUTIVE
5 DIRECTOR OF THE DEPARTMENT OF REVENUE FOR PERMISSION TO USE A
6 PERCENTAGE BASIS OF REPORTING THE TANGIBLE PERSONAL PROPERTY
7 SOLD AND THE SERVICES SUPPLIED UNDER SUCH CONTRACT. THE
8 EXECUTIVE DIRECTOR IS AUTHORIZED TO DETERMINE THE PERCENTAGE
9 BASED UPON THE RATIO OF THE TANGIBLE PERSONAL PROPERTY INCLUDED
10 IN THE CONSIDERATION AS IT BEARS TO THE TOTAL OF THE CONSIDERATION
11 PAID UNDER SAID COMBINATION CONTRACT OR SALE THAT IS SUBJECT TO
12 THE SALES TAX LEVIED UNDER THE PROVISIONS OF THIS PART 1. THIS
13 SECTION SHALL NOT BE CONSTRUED TO INCLUDE ITEMS UPON WHICH THE
14 SALES TAX IS IMPOSED ON THE FULL PURCHASE PRICE AS DESIGNATED IN
15 SECTION 39-26-102 (12).

16 (5) (a) A QUALIFIED PURCHASER MAY PROVIDE A DIRECT PAYMENT
17 PERMIT NUMBER TO A RETAILER THAT IS LIABLE AND RESPONSIBLE FOR
18 COLLECTING AND REMITTING THE TAX IMPOSED BY THIS ARTICLE ON ANY
19 SALE MADE TO THE QUALIFIED PURCHASER. A QUALIFIED PURCHASER
20 HOLDING A DIRECT PAYMENT PERMIT NUMBER SHALL, BEFORE THE
21 TWENTIETH DAY OF EACH MONTH SUBSEQUENT TO THE MONTH IN WHICH
22 ANY SALE TO THE QUALIFIED PURCHASER WAS MADE FOR WHICH THE
23 QUALIFIED PURCHASER'S DIRECT PAYMENT PERMIT NUMBER WAS USED,
24 MAKE A RETURN AND REMIT DIRECTLY TO THE EXECUTIVE DIRECTOR OF
25 THE DEPARTMENT OF REVENUE THE AMOUNT OF SUCH TAX OWING ON ALL
26 SUCH SALES TO THE QUALIFIED PURCHASER MADE IN THE PRECEDING
27 MONTH. SUCH RETURNS OF THE QUALIFIED PURCHASER OR DULY

1 AUTHORIZED AGENT SHALL CONTAIN SUCH INFORMATION AND BE MADE IN
2 SUCH MANNER AND UPON SUCH FORMS AS THE EXECUTIVE DIRECTOR
3 SHALL PRESCRIBE.

4 (b) FROM THE AMOUNT OF THE TAX REQUIRED TO BE REMITTED
5 PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (5), A QUALIFIED
6 PURCHASER SHALL BE ENTITLED TO RETAIN THE AMOUNT SPECIFIED IN
7 SUBPARAGRAPH (II) OF PARAGRAPH (c) OF SUBSECTION (1) OF THIS
8 SECTION THAT A RETAILER WOULD OTHERWISE BE ENTITLED TO RETAIN TO
9 COVER THE RETAILER'S EXPENSE IN COLLECTING AND REMITTING THE TAX
10 IMPOSED BY THIS ARTICLE IF THE QUALIFIED PURCHASER HAD NOT
11 PROVIDED A DIRECT PAYMENT PERMIT NUMBER TO THE RETAILER.

12 **SECTION 6.** In Colorado Revised Statutes, 39-26-105, **amend**
13 (1) (g) (I) as follows:

14 **39-26-105. Vendor liable for tax - repeal.**

15 (1) (g) (I) (A) EXCEPT AS PROVIDED IN SUB-SUBPARAGRAPH (B) OF THIS
16 SUBPARAGRAPH (I), notwithstanding any other provision of this section,
17 the amount retained by a vendor to cover the vendor's expense in
18 collecting and remitting tax pursuant to this section shall not exceed an
19 amount equal to two and twenty-two one-hundredths percent of all sales
20 tax reported on any return made on or after July 1, 2011, but prior to July
21 1, 2014.

22 (B) FOR A TWELVE-MONTH PERIOD COMMENCING UPON THE FIRST
23 DAY OF THE THIRD MONTH FOLLOWING THE EFFECTIVE DATE OF ANY ACT
24 OF CONGRESS AUTHORIZING STATES TO REQUIRE CERTAIN RETAILERS TO
25 PAY, COLLECT, OR REMIT STATE OR LOCAL SALES TAX, THE PERCENTAGE
26 OF ALL SALES TAX REPORTED AS SPECIFIED IN SUB-SUBPARAGRAPH (A) OF
27 THIS SUBPARAGRAPH (I) SHALL BE REDUCED BY ONE HUNDRED FIVE

1 ONE-THOUSANDTHS PERCENTAGE POINTS.

2

3 **SECTION 7.** In Colorado Revised Statutes, 39-26-105.3, **amend**
4 (7); and **add** (8), (9), and (10) as follows:

5 **39-26-105.3. Remittance of tax - electronic database - vendor**

6 **held harmless.** (7) ~~The executive director of the department of revenue~~

7 ~~shall promulgate rules for the administration of this section. Such rules~~

8 ~~shall be promulgated in accordance with article 4 of title 24, C.R.S. THE~~

9 DEPARTMENT OF REVENUE SHALL PROVIDE INFORMATION TO REMOTE

10 SELLERS THAT INDICATES THE TAXABILITY OF PRODUCTS AND SERVICES

11 ALONG WITH ANY PRODUCT AND SERVICE EXEMPTIONS FROM SALES TAX

12 IN THE STATE. THE DEPARTMENT OF REVENUE SHALL ALSO PROVIDE TO

13 REMOTE SELLERS A SALES TAX RATE DATABASE AND A DATABASE OF

14 LOCAL TAXING JURISDICTION BOUNDARIES. THE DEPARTMENT OF REVENUE

15 SHALL NOTIFY REMOTE SELLERS AND CERTIFIED SOFTWARE PROVIDERS OF

16 ANY STATE OR LOCAL SALES TAX RATE CHANGE AT LEAST NINETY DAYS

17 BEFORE THE EFFECTIVE DATE OF SUCH A CHANGE. SUBSEQUENT TO ANY

18 SALES TAX RATE CHANGE, THE DEPARTMENT OF REVENUE SHALL UPDATE

19 THE INFORMATION DESCRIBED THIS SUBSECTION (7) ACCORDINGLY.

20 (8) (a) THE DEPARTMENT OF REVENUE SHALL MAKE AVAILABLE

21 FREE OF CHARGE SOFTWARE TO RETAILERS THAT:

22 (I) CALCULATES SALES TAXES DUE ON EACH TRANSACTION AT THE

23 TIME THE TRANSACTION IS COMPLETED;

24 (II) FILES SALES TAX RETURNS; AND

25 (III) UPDATES TO REFLECT ANY TAX RATE CHANGES FOR THE STATE

26 OR ANY LOCAL TAXING JURISDICTION.

27 (b) (I) THE DEPARTMENT OF REVENUE MAY CONTRACT WITH ONE

1 OR MORE CERTIFIED SOFTWARE PROVIDERS DESCRIBED IN PARAGRAPH (c)
2 OF THIS SUBSECTION (8), WITHOUT REGARD TO THE REQUIREMENTS IN THE
3 "PROCUREMENT CODE", ARTICLES 101 TO 112 OF TITLE 24, C.R.S., TO
4 PROVIDE THE SOFTWARE OR PROVIDE ACCESS TO THE SOFTWARE
5 DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (8).

6 (II) A RETAILER MAY ELECT TO COLLECT AND REMIT SALES TAX ON
7 ITS OWN, WITHOUT USING THE SERVICES OF A CERTIFIED SOFTWARE
8 PROVIDER DESCRIBED IN PARAGRAPH (c) OF THIS SUBSECTION (8), OR MAY
9 ELECT TO USE THE SERVICES OF A CERTIFIED SOFTWARE PROVIDER.

10 (III) IN PROVIDING SOFTWARE FREE OF CHARGE AS DESCRIBED IN
11 SUBPARAGRAPH (I) OF THIS PARAGRAPH (b), THE CONTRACT NEGOTIATED
12 BETWEEN THE DEPARTMENT OF REVENUE AND THE CERTIFIED SOFTWARE
13 PROVIDERS DESCRIBED IN PARAGRAPH (c) OF THIS SUBSECTION (8) MUST
14 PROVIDE THAT ALL OR A PORTION OF THE AMOUNT DESCRIBED IN SECTION
15 39-26-105 (1) (c) (II), MAY NOT BE RETAINED BY THE RETAILER ELECTING
16 TO UTILIZE THE SERVICES OF A CERTIFIED SOFTWARE PROVIDER BUT WILL
17 INSTEAD BE RETAINED BY THE CERTIFIED SOFTWARE PROVIDER AS
18 PAYMENT FOR ITS SERVICES.

19 (c) THE DEPARTMENT OF REVENUE SHALL ESTABLISH
20 CERTIFICATION PROCEDURES FOR PERSONS TO BE APPROVED AS CERTIFIED
21 SOFTWARE PROVIDERS, WHICH PROCEDURES SHALL INCLUDE A
22 REQUIREMENT THAT SOFTWARE PROVIDED BY CERTIFIED SOFTWARE
23 PROVIDERS BE CAPABLE OF CALCULATING AND FILING SALES AND USE
24 TAXES IN ALL STATES QUALIFIED UNDER THE PROPOSED FEDERAL
25 LEGISLATION KNOWN AS THE "MARKETPLACE FAIRNESS ACT OF 2013"
26 THAT, AS OF THE INTRODUCTION OF HOUSE BILL 13-1295, IS BEING
27 CONSIDERED IN CONGRESS.

1 (9) (a) RETAILERS ARE RELIEVED FROM LIABILITY TO THE STATE OR
2 LOCAL TAXING JURISDICTION FOR THE INCORRECT COLLECTION,
3 REMITTANCE, OR NONCOLLECTION OF SALES TAXES, INCLUDING ANY
4 PENALTIES OR INTEREST, IF THE LIABILITY IS THE RESULT OF AN ERROR OR
5 OMISSION MADE BY A CERTIFIED SOFTWARE PROVIDER DESCRIBED IN
6 PARAGRAPH (c) OF SUBSECTION (8) OF THIS SECTION.

7 (b) CERTIFIED SOFTWARE PROVIDERS DESCRIBED IN PARAGRAPH
8 (c) OF SUBSECTION (8) OF THIS SECTION ARE RELIEVED FROM LIABILITY TO
9 THE STATE OR ANY LOCAL TAXING JURISDICTION FOR THE INCORRECT
10 COLLECTION, REMITTANCE, OR NONCOLLECTION OF SALES TAXES,
11 INCLUDING ANY PENALTIES OR INTEREST, IF THE LIABILITY IS THE RESULT
12 OF MISLEADING OR INACCURATE INFORMATION PROVIDED BY A RETAILER.

13 (c) RETAILERS AND CERTIFIED SOFTWARE PROVIDERS DESCRIBED
14 IN PARAGRAPH (c) OF SUBSECTION (8) OF THIS SECTION ARE RELIEVED
15 FROM LIABILITY TO THE STATE OR ANY LOCAL TAXING JURISDICTION FOR
16 INCORRECT COLLECTION, REMITTANCE, OR NONCOLLECTION OF SALES
17 TAXES, INCLUDING ANY PENALTIES OR INTEREST, IF THE LIABILITY IS THE
18 RESULT OF INCORRECT INFORMATION OR SOFTWARE PROVIDED BY THE
19 DEPARTMENT OF REVENUE.

20 (d) RETAILERS AND CERTIFIED SOFTWARE PROVIDERS DESCRIBED
21 IN PARAGRAPH (c) OF SUBSECTION (8) OF THIS SECTION ARE RELIEVED
22 FROM LIABILITY FOR COLLECTING SALES TAXES AT THE IMMEDIATELY
23 PRECEDING EFFECTIVE STATE AND LOCAL RATES DURING THE NINETY-DAY
24 NOTICE PERIOD DESCRIBED IN SUBSECTION (7) OF THIS SECTION IF THE
25 REQUIRED NOTICE IS NOT PROVIDED.

26 (10) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE
27 SHALL PROMULGATE RULES FOR THE ADMINISTRATION OF THIS SECTION.

1 SUCH RULES SHALL BE PROMULGATED IN ACCORDANCE WITH ARTICLE 4 OF
2 TITLE 24, C.R.S.

3 SECTION 8. In Colorado Revised Statutes, add 39-26-122.7 as
4 follows:

5 39-26-122.7. Filing and remittance of remote sales - standard
6 sales tax reporting form for remote sales - delayed distributions.

7 (1) EVERY REMOTE SELLER SHALL, ON OR BEFORE THE TWENTIETH DAY
8 OF EACH MONTH, MAKE AN ELECTRONIC RETURN TO THE EXECUTIVE
9 DIRECTOR OF THE DEPARTMENT OF REVENUE FOR THE PRECEDING
10 CALENDAR MONTH AND ELECTRONICALLY MAKE SUCH REMITTANCE AS
11 SPECIFIED IN SECTION 39-26-105 (1) (c) (I) (B). A REMOTE SELLER'S
12 RETURNS, OR THE RETURNS OF A REMOTE SELLER'S DULY AUTHORIZED
13 AGENT, MUST CONTAIN SUCH INFORMATION AND BE MADE IN SUCH
14 MANNER AND UPON SUCH FORMS AS SPECIFIED IN THIS SECTION.

15 (2) (a) THE COLLECTION, ADMINISTRATION, AND ENFORCEMENT OF
16 THE LOCAL TAXING JURISDICTION SALES TAX UNDER SECTION 39-26-104

17 (2) SHALL BE PERFORMED BY THE EXECUTIVE DIRECTOR OF THE
18 DEPARTMENT OF REVENUE IN THE SAME MANNER AS THE COLLECTION,
19 ADMINISTRATION, AND ENFORCEMENT OF THE COLORADO STATE SALES
20 TAX.

21
22 (b) (I) THE CENTRAL AUDIT BUREAU CREATED IN SUBPARAGRAPH
23 (II) OF THIS PARAGRAPH (b) SHALL BE THE SOLE ENTITY WITHIN THE STATE
24 THAT IS RESPONSIBLE FOR AUDITING REMOTE SELLERS. NOTWITHSTANDING
25 ANY OTHER PROVISION OF LAW, NO LOCAL TAXING AUTHORITY SHALL
26 HAVE THE AUTHORITY TO AUDIT ANY REMOTE SELLER.

27 (II) THE DEPARTMENT OF REVENUE AND LOCAL TAXING

1 JURISDICTIONS SHALL COORDINATE IN THE DEVELOPMENT OF THE CENTRAL
2 AUDIT BUREAU AND SHALL SHARE IN THE COSTS AND STAFFING OF THE
3 BUREAU. THE FUNDING AND STAFFING OF THE CENTRAL AUDIT BUREAU
4 SHALL BE SUFFICIENT TO AUDIT REMOTE SELLERS.

5 (3) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE
6 SHALL AT NO CHARGE ADMINISTER, COLLECT, AND DISTRIBUTE ANY SALES
7 TAX IMPOSED BY ANY LOCAL TAXING JURISDICTION ON A REMOTE SALE
8 AUTHORIZED BY SECTION 39-26-104 (2). THE EXECUTIVE DIRECTOR SHALL
9 MAKE MONTHLY DISTRIBUTIONS OF SALES TAX COLLECTIONS TO THE
10 APPROPRIATE OFFICIAL IN EACH LOCAL TAXING JURISDICTION.

11 (4) (a) NOTWITHSTANDING THE PROVISIONS OF SECTION
12 39-21-113, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE
13 SHALL REPORT MONTHLY TO EACH LOCAL TAXING JURISDICTION FOR
14 WHICH THE DEPARTMENT OF REVENUE COLLECTS A SALES TAX,
15 INFORMATION IDENTIFYING REMOTE SELLERS MAKING SALES WITHIN THE
16 LOCAL TAXING JURISDICTION AND, WHERE THE CHIEF ADMINISTRATIVE
17 OFFICER OR HIS DESIGNEE HAS EXECUTED A MEMORANDUM OF
18 UNDERSTANDING WITH THE DEPARTMENT OF REVENUE PROVIDING FOR
19 CONTROL OF CONFIDENTIAL DATA, THE STATUS OF EACH REMOTE SELLER'S
20 ACCOUNT INCLUDING THE AMOUNT OF SUCH LOCAL TAXING JURISDICTION'S
21 SALES TAX COLLECTED AND PAID BY EACH SUCH REMOTE SELLER. THE
22 EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE MAY, IN HIS OR
23 HER DISCRETION, PROVIDE ADDITIONAL INFORMATION TO A LOCAL TAXING
24 JURISDICTION CONCERNING COLLECTION AND ADMINISTRATION OF SUCH
25 LOCAL TAXING JURISDICTION'S SALES TAX IF SUCH A MEMORANDUM HAS
26 BEEN EXECUTED.

27 (b) EXCEPT IN ACCORDANCE WITH JUDICIAL ORDER OR AS

1 OTHERWISE PROVIDED BY LAW, NO OFFICIAL OR EMPLOYEE OF A LOCAL
2 TAXING JURISDICTION RECEIVING SALES TAX INFORMATION FROM THE
3 DEPARTMENT OF REVENUE PURSUANT TO THIS SUBSECTION (4) SHALL
4 DIVULGE OR MAKE KNOWN TO ANY PERSON NOT AN OFFICIAL OR
5 EMPLOYEE OF SUCH LOCAL TAXING JURISDICTION ANY INFORMATION THAT
6 IDENTIFIES OR PERMITS THE IDENTIFICATION OF THE AMOUNT OF SALES
7 TAXES COLLECTED OR PAID BY ANY INDIVIDUAL REMOTE SELLER. THE
8 OFFICIALS OR EMPLOYEES OF ANY LOCAL TAXING JURISDICTION CHARGED
9 WITH THE CUSTODY OF SUCH SALES TAX INFORMATION SHALL NOT BE
10 REQUIRED TO PRODUCE ANY SUCH INFORMATION IN ANY ACTION OR
11 PROCEEDING IN ANY COURT EXCEPT IN AN ACTION OR PROCEEDING UNDER
12 THE PROVISIONS OF THIS ARTICLE TO WHICH THE LOCAL TAXING
13 JURISDICTION HAVING CUSTODY OF THE INFORMATION IS A PARTY, IN
14 WHICH EVENT THE COURT MAY REQUIRE THE PRODUCTION OF, AND MAY
15 ADMIT IN EVIDENCE, SO MUCH OF SAID SALES TAX INFORMATION AS IS
16 PERTINENT TO THE ACTION OR PROCEEDING. ANY OFFICIAL OR EMPLOYEE
17 OF THE LOCAL TAXING JURISDICTION WHO WILLFULLY VIOLATES ANY OF
18 THE PROVISIONS OF THIS SUBSECTION (4) IS GUILTY OF A MISDEMEANOR
19 AND, UPON CONVICTION THEREOF, SHALL BE PUNISHED BY A FINE OF NOT
20 MORE THAN ONE THOUSAND DOLLARS AND SHALL BE DISMISSED FROM
21 OFFICE.

22 (5) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE
23 SHALL PRESCRIBE A STANDARD ELECTRONIC SALES TAX REPORTING FORM
24 FOR REMOTE SALES. SUCH FORM SHALL BE SEPARATE FROM THE STATE
25 FORM AND SHALL BE THE ONLY SALES TAX REPORTING FORM REQUIRED TO
26 BE USED BY ANY REMOTE SELLER. SUCH FORM SHALL ALLOW A REMOTE
27 SELLER TO REPORT ALL SALES AND USE TAXES COLLECTED FOR A LOCAL

1 GOVERNMENT ON SUCH FORM.

2 (6) IF ANY SALES TAX TO BE DISTRIBUTED PURSUANT TO THIS
3 SECTION IS NOT DISTRIBUTED WITHIN SIXTY DAYS AFTER THE PROCESSING
4 DATE, INTEREST SHALL BE ADDED TO THE UNDISTRIBUTED AMOUNT FROM
5 THE SIXTIETH DAY AFTER THE PROCESSING DATE UNTIL THE DATE SUCH
6 SALES TAX IS DISTRIBUTED. THE RATE OF SAID INTEREST SHALL BE EQUAL
7 TO THE AVERAGE RATE, ROUNDED TO ONE ONE-THOUSANDTH OF A
8 PERCENT, BEING EARNED BY THE INVESTMENT OF MONEYS IN THE STATE
9 TREASURY FOR THE SAME PERIOD.

10 (7) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE
11 MAY PROMULGATE RULES AND REGULATIONS TO CARRY OUT THE
12 PROVISIONS OF THIS SECTION.

13 **SECTION 9.** In Colorado Revised Statutes, 24-46-303, **amend**
14 (12) as follows:

15 **24-46-303. Definitions.** As used in this part 3, unless the context
16 otherwise requires:

17 (12) "State sales tax increment revenue" means the portion of the
18 revenue derived from state sales taxes, NOT INCLUDING ANY SALES TAXES
19 FOR REMOTE SALES AS SPECIFIED IN SECTION 39-26-104 (2), C.R.S.,
20 collected within a designated regional tourism zone in excess of the
21 amount of base year revenue.

22 **SECTION 10.** In Colorado Revised Statutes, 29-2-106, **amend**
23 (2) as follows:

24 **29-2-106. Collection - administration - enforcement.** (2) The
25 effective date of any countywide sales tax or city or town sales tax
26 adopted under the provisions of this article shall be ~~either January 1 or~~
27 ~~July 1 following the date of the election in which such county sales tax~~

1 ~~proposal is approved; and notice of the adoption of any county sales tax~~
2 ~~proposal shall be submitted by the county clerk and recorder or by the~~
3 ~~clerk of the city council or board of trustees of a city or town to the~~
4 ~~executive director of the department of revenue at least forty-five days~~
5 ~~prior to the effective date of such tax. If such a sales tax proposal is~~
6 ~~approved at an election held less than forty-five days prior to the January~~
7 ~~1 or July 1 following the date of election, such tax shall not be effective~~
8 ~~until the next succeeding January 1 or July 1 AS SET FORTH IN SECTION~~
9 ~~39-26-104 (2) (c), C.R.S.~~

10 **SECTION 11.** In Colorado Revised Statutes, 30-20-604.5,
11 **amend** (1) as follows:

12 **30-20-604.5. District sales tax.** (1) The board of any county or
13 of any city that has been authorized to become a city and county pursuant
14 to an amendment to the state constitution that has been approved by the
15 registered electors of the state of Colorado and that subsequently becomes
16 a city and county for the purpose of funding all or a portion of the cost of
17 any improvements constructed or transportation services provided
18 pursuant to section 30-20-603 (1) (a), (1) (a.5), and (1) (c), may levy a
19 sales tax throughout the district upon every transaction or other incident
20 with respect to which a sales tax is authorized pursuant to section
21 29-2-105, C.R.S.; except that such tax may be levied only upon those
22 transactions specified in section 39-26-104 (1) (a), (1) (b), (1) (e), and (1)
23 (f), C.R.S., AND MAY NOT INCLUDE ANY SALES TAXES FOR REMOTE SALES
24 AS SPECIFIED IN SECTION 39-26-104 (2), C.R.S. The board may, in its
25 discretion, levy or continue to levy a sales tax on the sales of low-emitting
26 motor vehicles, power sources, or parts used for converting such power
27 sources as specified in section 39-26-719 (1), C.R.S.

1 **SECTION 12.** In Colorado Revised Statutes, 31-25-107, **amend**
2 (9) (a) (I) as follows:

3 **31-25-107. Approval of urban renewal plans by local**
4 **governing body.** (9) (a) Notwithstanding any law to the contrary, any
5 urban renewal plan, as originally approved or as later modified pursuant
6 to this part 1, may contain a provision that taxes, if any, levied after the
7 effective date of the approval of such urban renewal plan upon taxable
8 property in an urban renewal area each year or that municipal sales taxes
9 collected within said area, or both such taxes, by or for the benefit of any
10 public body shall be divided for a period not to exceed twenty-five years
11 after the effective date of adoption of such a provision, as follows:

12 (I) That portion of the taxes which are produced by the levy at the
13 rate fixed each year by or for each such public body upon the valuation
14 for assessment of taxable property in the urban renewal area last certified
15 prior to the effective date of approval of the urban renewal plan or, as to
16 an area later added to the urban renewal area, the effective date of the
17 modification of the plan, or that portion of municipal sales taxes, NOT
18 INCLUDING ANY SALES TAXES FOR REMOTE SALES AS SPECIFIED IN SECTION
19 39-26-104 (2), C.R.S., collected within the boundaries of said urban
20 renewal area in the twelve-month period ending on the last day of the
21 month prior to the effective date of approval of said plan, or both such
22 portions, shall be paid into the funds of each such public body as are all
23 other taxes collected by or for said public body.

24 **SECTION 13.** In Colorado Revised Statutes, 31-25-807, **amend**
25 (3) (a) introductory portion as follows:

26 **31-25-807. Powers - duties.** (3) (a) Notwithstanding any law to
27 the contrary and subject to the provisions of subparagraph (IV) of this

1 paragraph (a), any such plan of development as originally adopted by the
2 board or as later modified pursuant to this part 8 may, after approval by
3 the governing body of the municipality, contain a provision that taxes, if
4 any, levied after the effective date of the approval of such plan of
5 development by said governing body upon taxable property within the
6 boundaries of the plan of development area each year or that municipal
7 sales taxes, NOT INCLUDING ANY SALES TAXES FOR REMOTE SALES AS
8 SPECIFIED IN SECTION 39-26-104 (2), C.R.S., collected within said area, or
9 both such taxes, by or for the benefit of any public body shall be divided
10 for a period not to exceed thirty years or such longer period as provided
11 for in subparagraph (IV) of this paragraph (a) after the effective date of
12 approval by said governing body of such a provision, as follows:

13 **SECTION 14. Appropriation.** (1) In addition to any other
14 appropriation, there is hereby appropriated, out of any moneys in the
15 general fund, not otherwise appropriated, to the department of revenue,
16 for the fiscal year beginning July 1, 2013, the sum of \$2,502,786, or so
17 much thereof as may be necessary, to be allocated for the implementation
18 of this act as follows:

19 (a) \$362,786 for allocation to the information technology division
20 for the purchase of computer center services; and

21 (b) \$2,140,000 for allocation to the taxation business group,
22 administration, for CITA annual maintenance and support.

23 (2) In addition to any other appropriation, there is hereby
24 appropriated to the governor - lieutenant governor - state planning and
25 budgeting, for the fiscal year beginning July 1, 2013, the sum of
26 \$362,786, or so much thereof as may be necessary, for allocation to the
27 office of information technology, for the provision of computer center

1 services for the department of revenue related to the implementation of
2 this act. Said sum is from reappropriated funds received from the
3 department of revenue out of the appropriation made in paragraph (a) of
4 subsection (1) of this section.

5 **SECTION 15. Severability.** If any provision of this act or the
6 application thereof to any person or circumstance is held invalid, such
7 invalidity does not affect other provisions or applications of the act that
8 can be given effect without the invalid provision or application, and to
9 this end the provisions of this act are declared to be severable.

10 **SECTION 16. Effective date.** (1) Except as otherwise provided
11 in this section, section 6 of this act takes effect upon passage and the
12 remainder of this act takes effect July 1, 2014.

13 (2) Section 7 of this act takes effect only if the proposed federal
14 legislation known as the "Marketplace Fairness Act of 2013" that, as of
15 the introduction of House Bill 13-1295, is being considered in congress
16 is enacted and takes effect either upon the effective date of this act or the
17 effective date of the "Marketplace Fairness Act of 2013", whichever is
18 later. The department of revenue shall send the revisor of statutes written
19 notice that this requirement has been met within thirty days of enactment
20 of the "Marketplace Fairness Act of 2013" by congress.

21 (3) Section 10 of this act takes effect only if congress enacts an
22 act that authorizes states to require certain retailers to pay, collect, or
23 remit state or local sales taxes and takes effect either upon the effective
24 date of this act or the effective date of such act of congress, whichever is
25 later. The department of revenue shall send the revisor of statutes written
26 notice that this requirement has been met within thirty days of enactment
27 of such an act by congress.

1 (4) Section 14 of this act takes effect on a date between July 1,
2 2013, but before July 1, 2014, only if congress enacts an act that
3 authorizes states to require certain retailers to pay, collect, or remit state
4 or local sales taxes during that period. The department of revenue shall
5 send the revisor of statutes written notice that this requirement has been
6 met within thirty days of enactment of such an act by congress.

7 **SECTION 17. Safety clause.** The general assembly hereby finds,
8 determines, and declares that this act is necessary for the immediate
9 preservation of the public peace, health, and safety.