

HOUSE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

April 24, 2014
Date

Committee on Finance.

After consideration on the merits, the Committee recommends the following:

HB14-1374 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

1 Amend printed bill, strike everything below the enacting clause and
2 substitute:

3 "SECTION 1. In Colorado Revised Statutes, **add** 39-26-711.8 as
4 follows:

5 **39-26-711.8. Aircraft - use outside state - on-demand air**
6 **carriers.** (1) NOTWITHSTANDING SECTION 39-26-711.5, ON AND AFTER
7 JULY 1, 2014, BUT PRIOR TO JULY 1, 2019, THE SALE OF A NEW OR USED
8 AIRCRAFT SHALL BE EXEMPT FROM TAXATION UNDER THE PROVISIONS OF
9 PART 1 AND PART 2 OF THIS ARTICLE IF:

10 (a) THE AIRCRAFT IS PURCHASED FOR USE BY AN ON-DEMAND AIR
11 CARRIER, REGARDLESS OF WHETHER THE PURCHASER IS A RESIDENT OF THE
12 STATE;

13 (b) THE AIRCRAFT WILL REMAIN IN THE STATE ONLY FOR THE
14 PURPOSE OF FINAL ASSEMBLY, MAINTENANCE, MODIFICATION, OR
15 COMPLETION;

16 (c) THE AIRCRAFT WILL BE REMOVED FROM THE STATE WITHIN ONE
17 HUNDRED TWENTY DAYS AFTER THE DATE OF THE SALE; AND

18 (d) THE AIRCRAFT WILL NOT BE IN THE STATE MORE THAN
19 SEVENTY-THREE DAYS IN ANY OF THE THREE CALENDAR YEARS
20 FOLLOWING THE CALENDAR YEAR IN WHICH THE AIRCRAFT IS REMOVED
21 FROM THE STATE PURSUANT TO PARAGRAPH (c) OF THIS SUBSECTION (1).

22 (2) A PURCHASER OF AN AIRCRAFT WHO CLAIMS THE EXEMPTION
23 ALLOWED BY THIS SECTION SHALL, AT THE TIME OF PURCHASE, PROVIDE TO

1 THE SELLER AN AFFIDAVIT THAT THE AIRCRAFT WILL BE USED BY AN
2 ON-DEMAND AIR CARRIER AND THAT THE PURCHASER AGREES TO PAY THE
3 TAX IMPOSED BY PART 1 OR PART 2 OF THIS ARTICLE, AS APPLICABLE, IF
4 THE PURCHASER FAILS TO COMPLY WITH THE REQUIREMENTS OF
5 PARAGRAPHS (b), (c) AND (d) OF SUBSECTION (1) OF THIS SECTION.

6 (3) AN AIRCRAFT THAT IS HANGARED OR PARKED OVERNIGHT
7 SHALL BE CONSIDERED TO BE IN THE STATE FOR PURPOSES OF THIS
8 SECTION.

9 **SECTION 2. Effective date.** This act takes effect July 1, 2014.

10 **SECTION 3. Safety clause.** The general assembly hereby finds,
11 determines, and declares that this act is necessary for the immediate
12 preservation of the public peace, health, and safety.".

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