

Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

ENGROSSED

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

LLS NO. 14-0036.01 Jery Payne x2157

SENATE BILL 14-075

SENATE SPONSORSHIP

Baumgardner,

HOUSE SPONSORSHIP

Sonnenberg,

Senate Committees

Transportation
Finance
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE REGISTRATION OF MOTOR VEHICLES FOR MEMBERS**
102 **OF THE UNITED STATES ARMED FORCES WHO ARE DEPLOYED**
103 **OUTSIDE THE UNITED STATES, AND, IN CONNECTION**
104 **THEREWITH, MAKING AND REDUCING APPROPRIATIONS.**

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 act exempts a member of the United States armed forces from paying the basic motor vehicle registration fees and authorizes payment

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.

SENATE
Amended 2nd Reading
April 14, 2014

of an alternate specific ownership tax of \$1 if the person is deployed outside the United States for a full year. The vehicle may not be driven during this time. If the person is not deployed for a whole year, the basic fees and taxes are prorated. If the person has already paid the fees at the time of deployment, the department credits the fees towards succeeding years.

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

2 **SECTION 1.** In Colorado Revised Statutes, 42-3-107, **amend** (8)
3 and (10) as follows:

4 **42-3-107. Taxable value of classes of property - rate of tax -**
5 **when and where payable - department duties - apportionment of tax**
6 **collections - definitions - rules.** (8) (a) EXCEPT AS PROVIDED IN
7 PARAGRAPH (b) OF THIS SUBSECTION (8), the annual specific ownership
8 tax payable on every item of Class B personal property ~~shall be computed~~
9 ~~in accordance with the following schedule~~ IS:

10 Year of service	Rate of tax
11 First year	2.10% of taxable value
12 Second year	1.50% of taxable value
13 Third year	1.20% of taxable value
14 Fourth year	.90% of taxable value
15 Fifth, sixth, seventh, eighth, 16 and ninth years	.45% of taxable value or \$10, 17 whichever is greater
18 Tenth and each later year	\$ 3

19 (b) (I) IN LIEU OF PAYING THE SPECIFIC OWNERSHIP TAX REQUIRED
20 IN PARAGRAPH (a) OF THIS SUBSECTION (8), AN OWNER WHO QUALIFIES
21 MAY PAY OWNERSHIP TAX UNDER THIS PARAGRAPH (b). THE SPECIFIC
22 OWNERSHIP TAX PAYABLE ON CLASS B PERSONAL PROPERTY UNDER

1 SIXTEEN THOUSAND POUNDS EMPTY WEIGHT IS ONE DOLLAR FOR EACH
2 FULL YEAR WHILE THE OWNER IS A MEMBER OF THE UNITED STATES
3 ARMED FORCES AND HAS ORDERS TO SERVE OUTSIDE THE UNITED STATES.
4 IF THE OWNER SERVES LESS THAN A FULL YEAR OUTSIDE THE UNITED
5 STATES, THE TAX IS THE AMOUNT ESTABLISHED BY PARAGRAPH (a) OF THIS
6 SUBSECTION (8), PRORATED ACCORDING TO THE NUMBER OF MONTHS THE
7 OWNER WAS IN THE UNITED STATES.

8 (II) IN ORDER TO QUALIFY FOR THE TAX RATE IMPOSED BY THIS
9 PARAGRAPH (b), THE OWNER MUST:

10 (A) SHOW THE DEPARTMENT MILITARY ORDERS TO SERVE OUTSIDE
11 THE UNITED STATES OR ANY EVIDENCE ACCEPTABLE TO THE DEPARTMENT
12 THAT THE OWNER SERVED OUTSIDE THE UNITED STATES; AND

13 (B) FILE A SIGNED AFFIDAVIT THAT THE MOTOR VEHICLE WILL NOT
14 BE OPERATED ON A HIGHWAY WHEN THE TAX RATE APPLIES.

15 (III) IF A PERSON HAS ALREADY PAID TAXES AT THE RATE
16 REQUIRED IN PARAGRAPH (a) OF THIS SUBSECTION (8) BUT IS ELIGIBLE TO
17 PAY TAXES UNDER THIS PARAGRAPH (b), THE DEPARTMENT SHALL CREDIT
18 THE PERSON THE DIFFERENCE BETWEEN THE RATE IN PARAGRAPH (a) OF
19 THIS SUBSECTION (8) AND THE PRORATED RATE IMPOSED IN THIS
20 PARAGRAPH (b) TOWARDS THE PERSON'S SPECIFIC OWNERSHIP TAXES FOR
21 SUCCEEDING YEARS.

22 (IV) THIS PARAGRAPH (b) ONLY APPLIES TO A MOTOR VEHICLE
23 THAT IS LESS THAN TEN MODEL-YEARS OLD AND LESS THAN SIXTEEN
24 THOUSAND POUNDS EMPTY WEIGHT.

25 (10) (a) EXCEPT AS PROVIDED IN PARAGRAPH (b) OF THIS
26 SUBSECTION (10), the annual specific ownership tax payable on every item
27 of Class C personal property ~~shall be computed in accordance with the~~

1 following schedule IS:

2 Year of service	Rate of tax
3 First year	2.10% of taxable value
4 Second year	1.50% of taxable value
5 Third year	1.20% of taxable value
6 Fourth year	.90% of taxable value
7 Fifth, sixth, seventh, eighth,	
8 and ninth years	.45% of taxable value
9 Tenth and each later year	\$ 3

10 (b) (I) IN LIEU OF PAYING THE SPECIFIC OWNERSHIP TAX REQUIRED
11 IN PARAGRAPH (a) OF THIS SUBSECTION (10), AN OWNER WHO QUALIFIES
12 MAY PAY OWNERSHIP TAX UNDER THIS PARAGRAPH (b). THE SPECIFIC
13 OWNERSHIP TAX PAYABLE ON CLASS C PERSONAL PROPERTY IS ONE
14 DOLLAR FOR EACH FULL YEAR WHILE THE OWNER IS A MEMBER OF THE
15 UNITED STATES ARMED FORCES AND HAS ORDERS TO SERVE OUTSIDE THE
16 UNITED STATES. IF THE OWNER SERVES LESS THAN A FULL YEAR OUTSIDE
17 THE UNITED STATES, THE TAX IS THE AMOUNT ESTABLISHED BY
18 PARAGRAPH (a) OF THIS SUBSECTION (10), PRORATED ACCORDING TO THE
19 NUMBER OF MONTHS THE OWNER WAS IN THE UNITED STATES.

20 (II) IN ORDER TO QUALIFY FOR THE TAX RATE IMPOSED BY THIS
21 PARAGRAPH (b), THE OWNER MUST:

22 (A) SHOW THE DEPARTMENT MILITARY ORDERS TO SERVE OUTSIDE
23 THE UNITED STATES OR ANY EVIDENCE ACCEPTABLE TO THE DEPARTMENT
24 THAT THE OWNER SERVED OUTSIDE THE UNITED STATES; AND

25 (B) FILE A SIGNED AFFIDAVIT THAT THE MOTOR VEHICLE WILL NOT
26 BE OPERATED ON A HIGHWAY WHEN THE TAX RATE APPLIES.

27 (III) IF A PERSON HAS ALREADY PAID TAXES AT THE RATE

1 REQUIRED IN PARAGRAPH (a) OF THIS SUBSECTION (10) BUT IS ELIGIBLE TO
2 PAY TAXES UNDER THIS PARAGRAPH (b), THE DEPARTMENT SHALL CREDIT
3 THE PERSON THE DIFFERENCE BETWEEN THE RATE IN PARAGRAPH (a) OF
4 THIS SUBSECTION (10) AND THE PRORATED RATE IMPOSED IN THIS
5 PARAGRAPH (b) TOWARDS THE PERSON'S SPECIFIC OWNERSHIP TAXES FOR
6 SUCCEEDING YEARS.

7 (IV) THIS PARAGRAPH (b) ONLY APPLIES TO A MOTOR VEHICLE
8 THAT IS LESS THAN TEN MODEL-YEARS OLD.

9 **SECTION 2.** In Colorado Revised Statutes, **add** 42-3-314 as
10 follows:

11 **42-3-314. Military deployment.** (1) **Motor vehicle fees**
12 **exempted.** IF THE OWNER IS A MEMBER OF THE UNITED STATES ARMED
13 FORCES AND HAS ORDERS TO SERVE OUTSIDE THE UNITED STATES, THE
14 OWNER MAY EXEMPT THE CLASS C PERSONAL PROPERTY OR CLASS B
15 PERSONAL PROPERTY UNDER SIXTEEN THOUSAND POUNDS EMPTY WEIGHT
16 FROM THE REGISTRATION FEES IMPOSED UNDER THIS PART 3 DURING THE
17 TIME THE OWNER IS SERVING. IF THE OWNER SERVES LESS THAN ONE YEAR
18 OUTSIDE THE UNITED STATES, THE FEES ARE EXEMPT FOR THE PORTION OF
19 THE YEAR THAT THE OWNER SERVED OUTSIDE THE UNITED STATES,
20 PRORATED ACCORDING TO THE NUMBER OF MONTHS THE OWNER WAS IN
21 THE UNITED STATES.

22 (2) **Qualifications.** IN ORDER FOR A MOTOR VEHICLE TO QUALIFY
23 FOR THE EXEMPTION FROM REGISTRATION FEES UNDER THIS SECTION, THE
24 OWNER MUST:

25 (a) SHOW THE DEPARTMENT MILITARY ORDERS TO SERVE OUTSIDE
26 THE UNITED STATES OR ANY EVIDENCE ACCEPTABLE TO THE DEPARTMENT
27 THAT THE OWNER SERVED OUTSIDE THE UNITED STATES; AND

1 (b) FILE A SIGNED AFFIDAVIT THAT THE MOTOR VEHICLE WILL NOT
2 BE OPERATED ON A HIGHWAY DURING THE EXEMPTION PERIOD.

3 (3) IF A PERSON HAS ALREADY PAID THE NORMAL FEES UNDER THIS
4 PART 3 FOR A MOTOR VEHICLE THAT IS ELIGIBLE FOR AN EXEMPTION
5 UNDER THIS SECTION, THE DEPARTMENT SHALL CREDIT THE PERSON THE
6 EXEMPTED PORTION OF THE FEE AMOUNT TOWARDS THE PERSON'S FEES
7 FOR SUCCEEDING YEARS.

8 (4) **Violations.** A PERSON SHALL NOT OPERATE THE MOTOR
9 VEHICLE DURING THE TIME COVERED BY THE AFFIDAVIT FILED UNDER
10 SUBSECTION (2) OF THIS SECTION. A VIOLATION OF THIS SECTION IS A
11 CLASS B TRAFFIC INFRACTION.

12 **SECTION 3.** In Colorado Revised Statutes, **add** 43-4-814 as
13 follows:

14 **43-4-814. Military deployment.** (1) **Motor vehicle fees**
15 **exempted.** IF THE OWNER IS A MEMBER OF THE UNITED STATES ARMED
16 FORCES AND HAS ORDERS TO SERVE OUTSIDE THE UNITED STATES, THE
17 OWNER MAY EXEMPT THE CLASS C PERSONAL PROPERTY OR CLASS B
18 PERSONAL PROPERTY UNDER SIXTEEN THOUSAND POUNDS EMPTY WEIGHT
19 FROM THE REGISTRATION FEES IMPOSED UNDER THIS PART 8 DURING THE
20 TIME THE OWNER IS SERVING. IF THE OWNER SERVES LESS THAN ONE YEAR
21 OUTSIDE THE UNITED STATES, THE FEES ARE EXEMPT FOR THE PORTION OF
22 THE YEAR THAT THE OWNER SERVED OUTSIDE THE UNITED STATES,
23 PRORATED ACCORDING TO THE NUMBER OF MONTHS THE OWNER WAS IN
24 THE UNITED STATES.

25 (2) **Qualifications.** IN ORDER TO QUALIFY FOR THE EXEMPTION
26 FROM REGISTRATION FEES UNDER THIS SECTION, THE OWNER MUST:

27 (a) SHOW THE DEPARTMENT MILITARY ORDERS TO SERVE OUTSIDE

1 THE UNITED STATES OR ANY EVIDENCE ACCEPTABLE TO THE DEPARTMENT
2 THAT THE OWNER SERVED OUTSIDE THE UNITED STATES; AND

3 (b) FILE A SIGNED AFFIDAVIT THAT THE MOTOR VEHICLE WILL NOT
4 BE OPERATED ON A HIGHWAY DURING THE EXEMPTION PERIOD.

5 (3) IF A PERSON HAS ALREADY PAID THE NORMAL FEES UNDER THIS
6 PART 8 FOR A MOTOR VEHICLE THAT IS ELIGIBLE FOR AN EXEMPTION
7 UNDER THIS SECTION, THE DEPARTMENT SHALL CREDIT THE PERSON THE
8 EXEMPTED PORTION OF THE FEE AMOUNT TOWARDS THE PERSON'S FEES
9 FOR SUCCEEDING YEARS.

10 (4) **Violations.** A PERSON SHALL NOT OPERATE THE MOTOR
11 VEHICLE DURING THE TIME COVERED BY THE AFFIDAVIT FILED UNDER
12 SUBSECTION (2) OF THIS SECTION. A VIOLATION OF THIS SECTION IS A
13 CLASS B TRAFFIC INFRACTION.

14 **SECTION 4. Appropriation - adjustments to 2014 long bill.**

15 (1) For the implementation of this act, the general fund appropriation
16 made in the annual general appropriation act to the controlled
17 maintenance trust fund created in section 24-75-302.5 (2) (a), Colorado
18 Revised Statutes, for the fiscal year beginning July 1, 2014, is decreased
19 by \$81,749.

20 (2) In addition to any other appropriation, there is hereby
21 appropriated, out of any moneys in the general fund, not otherwise
22 appropriated, to the department of education, for the fiscal year beginning
23 July 1, 2014, the sum of \$68,921, or so much thereof as may be necessary,
24 for allocation to the state share of districts' total program funding related
25 to the implementation of this act.

26 (3) In addition to any other appropriation, there is hereby
27 appropriated, out of any moneys in the general fund, not otherwise

1 appropriated, to the department of revenue, for the fiscal year beginning
2 July 1, 2014, the sum of \$12,828, or so much thereof as may be necessary,
3 for allocation to the division of motor vehicles related to the
4 implementation of this act.

5 (4) In addition to any other appropriation, there is hereby
6 appropriated, out of any moneys in the Colorado state titling and
7 registration account of the highway users tax fund created in section
8 42-1-211 (2), Colorado Revised Statutes, not otherwise appropriated, to
9 the department of revenue, for the fiscal year beginning July 1, 2014, the
10 sum of \$104,030, or so much thereof as may be necessary, for the
11 purchase of computer center services related to the implementation of this
12 act.

13 (5) In addition to any other appropriation, there is hereby
14 appropriated to the governor - lieutenant governor - state planning and
15 budgeting, for the fiscal year beginning July 1, 2014, the sum of
16 \$104,030, or so much thereof as may be necessary, for allocation to the
17 office of information technology, for the provision of computer center
18 services for the department of revenue related to the implementation of
19 this act. Said sum is from reappropriated funds received from the
20 department of revenue out of the appropriation made in subsection (4) of
21 this section.

22 **SECTION 5. Act subject to petition - effective date -**
23 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
24 the expiration of the ninety-day period after final adjournment of the
25 general assembly (August 6, 2014, if adjournment sine die is on May 7,
26 2014); except that, if a referendum petition is filed pursuant to section 1
27 (3) of article V of the state constitution against this act or an item, section,

1 or part of this act within such period, then the act, item, section, or part
2 will not take effect unless approved by the people at the general election
3 to be held in November 2014 and, in such case, will take effect on the
4 date of the official declaration of the vote thereon by the governor.

5 (2) This act applies to taxes and fees due on or after January 1,
6 2015.