

First Regular Session
Seventieth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 15-0258.02 Ed DeCecco x4216

HOUSE BILL 15-1228

HOUSE SPONSORSHIP

Mitsch Bush and Becker J., Priola, Buck, Coram, Dore, Lee, Pabon, Rankin, Ryden,
Vigil, Williams

SENATE SPONSORSHIP

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House Committees

Transportation & Energy
Finance

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A BILL FOR AN ACT

101 CONCERNING THE SPECIAL FUEL EXCISE TAX ON LIQUEFIED
102 PETROLEUM GAS.

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 makes the following changes related to how the special fuel excise tax on liquefied petroleum gas (LPG) is imposed, collected, and administered in this state:

- ! Adds a private commercial fleet operator that uses LPG to the definition of "distributor"; **(Section 2)**
- ! Changes the definition of "gallons" for LPG from a gross

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.

- gallon to a net gallon, which accounts for temperature differences that affect LPG measurements; **(Section 2)**
- ! Limits the imposition of the tax so that in most instances it is only levied when LPG is placed in a motor vehicle's fuel tank, which is currently defined as a "use", instead of when the fuel is acquired, sold, offered for sale, or used for any purpose whatsoever; **(Section 3)**
- ! Requires a distributor that uses LPG from a cargo tank to propel a cargo tank motor vehicle to pay the tax on the gallons of LPG used to propel the motor vehicle, based on the vehicle's miles traveled; **(Section 3)**
- ! Requires a distributor that places the LPG in a fuel tank to pay the tax or, if none, for a nondistributor user to pay it; **(Section 3)**
- ! Eliminates the 2% allowance for LPG lost in transit or in handling; **(Section 3)**
- ! Prohibits the department of revenue from collecting any penalties or interest related to the LPG excise tax that is due from January 1, 2014, until January 1, 2016; **(Section 5)**
- ! Eliminates the minimum \$25,000 bond amount for LPG distributors; **(Section 6)**
- ! Requires the department of revenue to update its fuel tracking system to accommodate the LPG excise tax changes; and **(Section 8)**
- ! Eliminates the requirement that a LPG distributor preprint the serially numbered invoices for each sale or transfer of LPG. **(Section 9)**

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

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

4 (a) The special fuel excise tax applies to fuels that are used for the
5 generation of power to propel a motor vehicle on the highways of this
6 state;

7 (b) The tax is imposed on special fuel that is acquired, sold,
8 offered for sale, or used in this state for any purpose whatsoever;

9 (c) Liquefied petroleum gas is a type of special fuel subject to this

1 broad excise tax;

2 (d) Ninety-five percent of all liquefied petroleum gas is not used
3 as special fuel;

4 (e) The special fuel tax is often levied on liquefied petroleum gas
5 that is not used as special fuel; and

6 (f) As a result, sellers of liquefied petroleum gas are unnecessarily
7 burdened with administrative requirements, and consumers may
8 ultimately pay more for gas that is used to heat their homes or for other
9 nonvehicle purposes.

10 (2) Now, therefore, the general assembly declares that the
11 purpose of this act is to modify the special fuel tax to properly apply the
12 tax to liquefied petroleum gas that is actually used as special fuel.

13 **SECTION 2.** In Colorado Revised Statutes, 39-27-101, **amend**
14 (7) (a) (IV), (7) (a) (V), (11), and (34); and **add** (4.3), (4.7), and (7) (a)
15 (VI) as follows:

16 **39-27-101. Definitions - construction.** As used in this part 1,
17 unless the context otherwise requires:

18 (4.3) "CARGO TANK" MEANS A BULK PACKAGING THAT:

19 (a) IS A TANK INTENDED PRIMARILY FOR THE CARRIAGE OF
20 LIQUIDS, GASES, SOLIDS, OR SEMI-SOLIDS AND INCLUDES APPURTENANCES,
21 REINFORCEMENTS, FITTINGS, AND CLOSURES;

22 (b) IS PERMANENTLY ATTACHED TO OR FORMS A PART OF A MOTOR
23 VEHICLE, OR IS NOT PERMANENTLY ATTACHED TO A MOTOR VEHICLE BUT
24 THAT, BY REASON OF ITS SIZE, CONSTRUCTION, OR ATTACHMENT TO A
25 MOTOR VEHICLE, IS LOADED OR UNLOADED WITHOUT BEING REMOVED
26 FROM THE MOTOR VEHICLE;

27 (c) IS NOT FABRICATED UNDER A SPECIFICATION FOR CYLINDERS,

1 INTERMEDIATE BULK CONTAINERS, MULTI-UNIT TANK CAR TANKS,
2 PORTABLE TANKS, OR TANK CARS; AND

3 (d) IS NOT PRIMARILY INTENDED TO PROVIDE FUEL FOR THE
4 PROPULSION OF THE MOTOR VEHICLE.

5 (4.7) "CARGO TANK MOTOR VEHICLE" MEANS A MOTOR VEHICLE
6 WITH ONE OR MORE CARGO TANKS PERMANENTLY ATTACHED TO OR
7 FORMING AN INTEGRAL PART OF THE MOTOR VEHICLE.

8 (7) (a) "Distributor" means:

9 (IV) A private commercial fleet operator that uses ~~liquefied~~
10 ~~petroleum gas~~ or natural gas from a public utility, as defined in section
11 40-1-103 (1), C.R.S., if:

12 (A) The public utility is not a distributor with respect to the sale
13 of the ~~liquefied petroleum gas~~ or natural gas; and

14 (B) The commercial fleet operator has not contracted with another
15 person to be a distributor under subparagraph (V) of this paragraph (a);
16 or

17 (V) Any person who contracts with a private commercial fleet
18 operator to be a distributor on behalf of the operator; OR

19 (VI) A PRIVATE COMMERCIAL FLEET OPERATOR THAT USES
20 LIQUEFIED PETROLEUM GAS, IF THE OPERATOR HAS NOT CONTRACTED
21 WITH A PERSON TO BE A DISTRIBUTOR ON BEHALF OF THE OPERATOR.

22 (11) "Gallons" means gallons as measured on a gross gallons
23 basis, as defined in section 8-20-201 (3), C.R.S.; except that:

24 (a) For purposes of compressed natural gas, "gallons" means
25 gallons as measured by the volumetric reporting requirements that are
26 included in the federal excise tax return, form 720, established by the
27 federal internal revenue service, or any successor form that is used for

1 paying the federal fuel tax; AND

2 (b) FOR PURPOSES OF LIQUEFIED PETROLEUM GAS, "GALLONS"
3 MEANS GALLONS AS MEASURED ON A NET GALLON BASIS AS DEFINED IN
4 SECTION 8-20-201 (5), C.R.S.

5 (34) "Use" or "uses" means the placing of special fuel into any
6 fuel tank, unless it is established to the satisfaction of the executive
7 director of the department of revenue that the fuel was consumed for a
8 purpose other than to propel a motor vehicle on the highways of this state.
9 With respect to fuel brought into this state in a fuel tank, "use" means the
10 consumption of the fuel in this state. A vendor placing special fuel OTHER
11 THAN LIQUEFIED PETROLEUM GAS into a fuel tank of a motor vehicle not
12 owned by the vendor is not deemed to have used the fuel.

13 **SECTION 3.** In Colorado Revised Statutes, 39-27-102, **amend**
14 (1) (a) (I), (1) (b) (I), (2) (a), and (2.5) as follows:

15 **39-27-102. Tax imposed on gasoline and special fuel - deposits**
16 **- penalties.** (1) (a) (I) (A) An excise tax is imposed and shall be collected
17 on all gasoline or special fuel acquired, sold, offered for sale, or used in
18 this state for any purpose whatsoever, but only one tax shall be paid upon
19 the same gasoline or special fuel in this state. Except as otherwise
20 provided in this subparagraph (I), no more than three tax-deferred
21 transactions shall take place after the gasoline or special fuel has left the
22 terminal of its origin, either within or outside of this state; except that, for
23 purposes of counting the applicable transactions in order to collect the tax
24 imposed by this subparagraph (I), counting shall begin when the gasoline
25 or special fuel first enters this state, whether by truck or by rail. If more
26 than three distributors acquire the gasoline or special fuel, the third
27 distributor shall be liable for payment of the tax imposed. Nothing in this

1 paragraph (a) shall preclude previous distributors from paying the tax. A
2 distributor shall not be required to pay tax on gasoline or special fuel that
3 is exempt pursuant to section 39-27-103 (2). The tax imposed shall be
4 computed upon the total amount of gasoline or special fuel, measured in
5 gallons, acquired by each distributor in this state and shall be paid in the
6 manner provided in this section. FOR PURPOSES OF THIS
7 SUB-SUBPARAGRAPH (A), "SPECIAL FUEL" DOES NOT INCLUDE LIQUEFIED
8 PETROLEUM GAS.

9 (B) AN EXCISE TAX IS IMPOSED ON LIQUEFIED PETROLEUM GAS
10 WHEN IT IS PLACED IN A FUEL TANK, UNLESS THE USE OF THE SPECIAL FUEL
11 IS EXEMPT. THE TAX IMPOSED IS COMPUTED UPON THE TOTAL AMOUNT OF
12 LIQUEFIED PETROLEUM GAS, MEASURED IN GALLONS, THAT IS PLACED IN
13 THE FUEL TANK. IF THE LIQUEFIED PETROLEUM GAS IS PLACED IN THE FUEL
14 TANK BY A DISTRIBUTOR, THE DISTRIBUTOR SHALL PAY THE TAX TO THE
15 DEPARTMENT OF REVENUE IN ACCORDANCE WITH THIS SECTION. IF THE
16 LIQUEFIED PETROLEUM GAS IS PLACED IN THE FUEL TANK BY SOMEONE
17 OTHER THAN A DISTRIBUTOR, THE USER SHALL PAY THE TAX IN
18 ACCORDANCE WITH SUBPARAGRAPH (V) OF THIS PARAGRAPH (a) IN THE
19 MANNER SET FORTH IN PARAGRAPH (a) OF SUBSECTION (2) OF THIS
20 SECTION.

21 (C) IF A DISTRIBUTOR USES LIQUEFIED PETROLEUM GAS FROM A
22 CARGO TANK TO PROPEL A CARGO TANK MOTOR VEHICLE ON THE
23 HIGHWAYS IN THIS STATE, AN EXCISE TAX IS IMPOSED ON THE LIQUEFIED
24 PETROLEUM GAS THAT IS USED AS SPECIAL FUEL. THE LIQUEFIED
25 PETROLEUM GAS THAT IS CARRIED IN THE CARGO TANK BUT NOT USED AS
26 SPECIAL FUEL IS NOT SUBJECT TO THE EXCISE TAX. THE TAX IMPOSED IS
27 COMPUTED UPON AN ESTIMATE OF THE TOTAL AMOUNT OF LIQUEFIED

1 PETROLEUM GAS, MEASURED IN GALLONS, USED TO PROPEL THE CARGO
2 TANK MOTOR VEHICLE BASED ON THE NUMBER OF MILES THAT THE
3 VEHICLE TRAVELED.

4 (b) (I) In the case of gasoline or special fuel shipped to a
5 distributor from a terminal, the amount of gasoline or special fuel
6 acquired is deemed to be the amount shipped from the terminal, as shown
7 by the terminal manifest; except that an allowance of two percent of the
8 total amount of gasoline or special fuel acquired during any calendar
9 month, as shown by terminal manifests, shall be deducted by the licensed
10 distributor to cover losses in transit and in unloading the gasoline or
11 special fuel and costs of collection and payment to the state of the tax
12 imposed by this section, out of which allowance the distributor shall make
13 to each retailer an allowance of one percent of the amount of gasoline or
14 special fuel delivered during each calendar month by the distributor to the
15 retailer, as shown by delivery invoices signed by the retailer, BUT THERE
16 IS NO ALLOWANCE FOR LIQUEFIED PETROLEUM GAS.

17 (2) (a) (I) Except as set forth in section 39-27-102.5 (9), every
18 person who uses any gasoline or special fuel for propelling a motor
19 vehicle on the public highways of this state or who is licensed to import
20 any gasoline or special fuel into this state for use or sale in this state, upon
21 which gasoline or special fuel a licensed distributor has not paid or is not
22 liable to pay the tax imposed in this section, is deemed to be a distributor
23 and is liable for and shall pay an excise tax at a rate established by
24 paragraph (a) of subsection (1) of this section on all such gasoline or
25 special fuel so used, or imported for use or sale, in this state. Such person
26 shall pay such tax to the department of revenue, pursuant to section
27 39-27-105.3, on or before the twenty-sixth day of the calendar month

1 following the month in which such gasoline or special fuel was used or
2 imported and shall, at the time of payment, render to the department, on
3 forms provided by it, an itemized statement, signed under the penalties of
4 perjury in the second degree, as defined in section 18-8-503, C.R.S., of
5 all such gasoline or special fuel so used or imported during such
6 preceding calendar month. When such gasoline or special fuel is
7 delivered from a terminal in a carload lot, the quantity thereof and the
8 amount of tax thereon shall be computed in the same manner as in the
9 case of a distributor.

10 (II) A USER OF LIQUEFIED PETROLEUM GAS THAT IS NOT A
11 DISTRIBUTOR BUT THAT IS LIABLE FOR THE EXCISE TAX ON LIQUEFIED
12 PETROLEUM GAS USED IN THIS STATE UNDER SUBPARAGRAPH (V) OF
13 PARAGRAPH (a) OF SUBSECTION (1) OF THIS SECTION SHALL PAY THE
14 EXCISE TAX NO LESS THAN ANNUALLY IN THE MANNER REQUIRED BY THE
15 DEPARTMENT OF REVENUE ON FORMS PREPARED BY THE DEPARTMENT.

16 (2.5) Except as otherwise provided in paragraph (b) of subsection
17 (2) of this section, every person who imports gasoline or special fuel
18 OTHER THAN LIQUEFIED PETROLEUM GAS into this state for use or sale in
19 this state without a valid importer, supplier, blender, or distributor license
20 is liable for and shall pay an excise tax pursuant to paragraph (a) of
21 subsection (1) of this section on all gasoline or special fuel such person
22 imports for use or sale in this state. In addition to the excise tax, such
23 person shall be subject to the civil penalties set forth in subsection (9) of
24 this section. EVERY PERSON WHO IMPORTS LIQUEFIED PETROLEUM GAS
25 INTO THIS STATE WITHOUT A VALID IMPORTER, SUPPLIER, OR DISTRIBUTOR
26 LICENSE IS SUBJECT TO THE CIVIL PENALTIES SET FORTH IN SUBSECTION (9)
27 OF THIS SECTION. Immediately upon discovery of a violation of this

1 subsection (2.5), the department of revenue and agents thereof may
2 demand payment of such excise tax, IF OWED, and all applicable fines
3 associated with the unlicensed importation of gasoline or special fuel and
4 may detain the shipment of gasoline or special fuel until such excise tax
5 and fines are collected.

6 **SECTION 4.** In Colorado Revised Statutes, 39-27-102.5, **amend**
7 (3) (a) as follows:

8 **39-27-102.5. Exemptions on tax imposed - ex-tax purchases.**

9 (3) (a) The tax collected by the distributor pursuant to this section is
10 deemed to have been received by the distributor at the time ~~such~~ THE fuel
11 is acquired OR, IN THE CASE OF LIQUEFIED PETROLEUM GAS, AT THE TIME
12 THE FUEL IS PLACED IN A FUEL TANK OR USED TO PROPEL A CARGO TANK
13 MOTOR VEHICLE, irrespective of when payment is received by the
14 distributor for the amount of the invoice, including the tax, and the tax
15 required to be collected by the distributor constitutes a debt owed by the
16 distributor to this state.

17 **SECTION 5.** In Colorado Revised Statutes, 39-27-103, **add** (7)
18 as follows:

19 **39-27-103. Refunds - penalties - checkoff - limits on**
20 **collections.** (7) NOTWITHSTANDING ANY PROVISION OF LAW TO THE
21 CONTRARY, THE DEPARTMENT OF REVENUE SHALL NOT COLLECT ANY
22 PENALTIES OR INTEREST RELATED TO THE TAX IMPOSED UNDER THIS PART
23 1 FOR LIQUEFIED PETROLEUM GAS THAT, FROM JANUARY 1, 2014, UNTIL
24 JANUARY 1, 2016, IS ACQUIRED, SOLD, OFFERED FOR SALE, OR USED IN
25 THIS STATE FOR ANY PURPOSE WHATSOEVER. THE DEPARTMENT SHALL
26 REFUND ANY OF THESE PROHIBITED PENALTIES OR INTEREST THAT WERE
27 COLLECTED PRIOR TO THE EFFECTIVE DATE OF THIS SUBSECTION (7).

1 **SECTION 6.** In Colorado Revised Statutes, 39-27-104, **amend**
2 (2) (a) (I) and (2) (b) as follows:

3 **39-27-104. License and deposit - exception.** (2) (a) (I) (A) No
4 license to act as a distributor, refiner, or terminal operator of gasoline or
5 special fuel shall be issued until the applicant therefor has deposited with
6 the department of revenue evidence of a savings account, deposit, or
7 certificate of deposit meeting the requirements of section 11-35-101,
8 C.R.S., or a surety bond or a negotiable certificate of deposit issued by a
9 commercial bank doing business in this state acceptable to the executive
10 director of the department of revenue. When such deposit is a surety
11 bond, such bond shall be in the sum of approximately three times the
12 monthly tax liability estimated by the executive director to become due
13 by the licensee, ~~except that the amount of the surety bond shall never be~~
14 ~~less than twenty-five thousand dollars nor more than two hundred~~
15 ~~thousand dollars~~ AS OTHERWISE LIMITED IN SUB-SUBPARAGRAPH (B) OF
16 THIS SUBPARAGRAPH (I). If the deposit is a surety bond, it shall also be
17 conditioned upon compliance by the distributor or refiner with all
18 provisions of this part 1 and payment of all taxes and penalties to become
19 due and payable thereunder; if it is a negotiable certificate of deposit, it
20 shall be subject to forfeiture upon failure of the distributor or refiner to
21 comply with said provisions or to pay all said taxes and penalties. Upon
22 approval by the executive director of the application, a license to act as
23 a distributor or refiner shall be issued to the applicant.

24 (B) FOR GASOLINE AND SPECIAL FUEL OTHER THAN LIQUEFIED
25 PETROLEUM GAS, THE AMOUNT OF THE SURETY BOND MUST NEVER BE LESS
26 THAN TWENTY-FIVE THOUSAND DOLLARS NOR MORE THAN TWO HUNDRED
27 THOUSAND DOLLARS. FOR LIQUEFIED PETROLEUM GAS, THE AMOUNT OF

1 THE SURETY BOND MUST NEVER BE MORE THAN TWO HUNDRED THOUSAND
2 DOLLARS.

3 (b) If at any time after issuance of the license the executive
4 director of the department of revenue finds that the licensee is USING
5 LIQUEFIED PETROLEUM GAS OR acquiring gasoline or special fuel OTHER
6 THAN LIQUEFIED PETROLEUM GAS in a quantity that makes the licensee
7 liable for payment of excise tax, for the preceding and current month in
8 an amount greater than the amount of the deposit, the executive director
9 shall, by written notice to the licensee, demand an additional surety bond
10 or negotiable certificate of deposit to be deposited in an amount
11 determined necessary to secure payment of a greater amount of taxes, but
12 the aggregate amount of deposit shall in no event exceed two hundred
13 thousand dollars. If the licensee fails or refuses within ten days after
14 receipt of the written notice and demand to deposit an additional surety
15 bond or negotiable certificate of deposit in the amount determined, the
16 executive director may by written notice suspend or revoke the license
17 held by the licensee. The requirements of this section relative to making
18 a deposit shall apply only to distributors who are liable to the state for
19 payment of the tax imposed by section 39-27-102.

20 **SECTION 7.** In Colorado Revised Statutes, 39-27-105, **amend**
21 (1) introductory portion, (1.3) (c), (1.3) (d), (2), (6) (a), and (7) (a); and
22 **add** (1.2) and (1.3) (f) as follows:

23 **39-27-105. Collection of tax on gasoline and special fuel.** (1) In
24 addition to the reporting requirements set forth in subsection (1.5) of this
25 section, every distributor, supplier, carrier, exporter, importer, blender,
26 refiner, or terminal operator of gasoline or special fuel OTHER THAN
27 LIQUEFIED PETROLEUM GAS on or before the twenty-sixth day of each

1 calendar month shall file with the executive director of the department of
2 revenue, on forms prescribed and furnished by the department, an
3 itemized statement made under penalty of perjury in the second degree,
4 showing the following:

5 (1.2) (a) EVERY DISTRIBUTOR, EXPORTER, OR IMPORTER OF
6 LIQUEFIED PETROLEUM GAS ON OR BEFORE THE TWENTY-SIXTH DAY OF
7 EACH CALENDAR MONTH SHALL FILE WITH THE EXECUTIVE DIRECTOR OF
8 THE DEPARTMENT OF REVENUE, ON FORMS PRESCRIBED AND FURNISHED BY
9 THE DEPARTMENT, A STATEMENT MADE UNDER PENALTY OF PERJURY IN
10 THE SECOND DEGREE, SHOWING THE FOLLOWING AGGREGATED AMOUNTS:

11 (I) THE TOTAL NUMBER OF GALLONS OF LIQUEFIED PETROLEUM
12 GAS THAT THE DISTRIBUTOR SOLD;

13 (II) THE NUMBER OF GALLONS OF LIQUEFIED PETROLEUM GAS
14 THAT THE DISTRIBUTOR PLACED IN A FUEL TANK AND THAT ARE SUBJECT
15 TO THE EXCISE TAX UNDER THIS PART 1;

16 (III) THE NUMBER OF GALLONS OF LIQUEFIED PETROLEUM GAS
17 THAT THE DISTRIBUTOR PLACED IN A FUEL TANK AND THAT ARE EXEMPT
18 FROM THE EXCISE TAX UNDER THIS PART 1;

19 (IV) THE NUMBER OF GALLONS OF LIQUEFIED PETROLEUM GAS
20 PLACED IN A CARGO TANK THAT ARE SUBJECT TO THE EXCISE TAX UNDER
21 THIS PART 1, AS SPECIFIED IN SECTION 39-27-102 (1) (a) (I) (C);

22 (V) THE NUMBER OF GALLONS OF LIQUEFIED PETROLEUM GAS, NOT
23 PLACED IN A FUEL TANK, THAT ARE SOLD TO THE STATE OF COLORADO,
24 ANY OF ITS AGENCIES, ANY TOWN, CITY, COUNTY, CITY AND COUNTY,
25 SCHOOL DISTRICT OF THIS STATE, OR ANY OTHER POLITICAL SUBDIVISION
26 OF THIS STATE;

27 (VI) THE NUMBER OF GALLONS OF LIQUEFIED PETROLEUM GAS,

1 NOT OTHERWISE REPORTED UNDER SUBPARAGRAPH (I) OR (II) OF THIS
2 SUBSECTION (1.2), SOLD TO A PRIVATE COMMERCIAL FLEET OPERATOR;

3 (VII) THE NUMBER OF GALLONS OF LIQUEFIED PETROLEUM GAS
4 SOLD TO A NONPROFIT TRANSIT AGENCY THAT ARE NOT PLACED IN A FUEL
5 TANK;

6 (VIII) THE NUMBER OF GALLONS OF LIQUEFIED PETROLEUM GAS
7 INVENTORY THAT ARE GAINED OR LOST;

8 (IX) THE NUMBER OF GALLONS OF LIQUEFIED PETROLEUM GAS
9 IMPORTED INTO THE STATE; AND

10 (X) THE NUMBER OF GALLONS OF LIQUEFIED PETROLEUM GAS
11 EXPORTED FROM THIS STATE.

12 (b) SUBSECTION (1.5) OF THIS SECTION DOES NOT APPLY TO A
13 LICENSEE WITH RESPECT TO LIQUEFIED PETROLEUM GAS.

14 (1.3) (c) Distributors may aggregate figures stated in the reports
15 required by this part 1 for ~~liquefied petroleum gas~~ and natural gas for all
16 service stations or other facilities that dispense ~~liquefied petroleum gas~~ or
17 natural gas for sale to users and that are owned or operated by the same
18 distributor.

19 (d) Distributors may aggregate figures stated in the reports
20 required by this part 1 for ~~liquefied petroleum gas~~ and natural gas for
21 sales of such fuels to a particular class or type of individual user.
22 Distributors of ~~liquefied petroleum gas~~ and natural gas shall not be
23 required to separately report the amount of sales to individual users.

24 (f) DISTRIBUTORS OF LIQUEFIED PETROLEUM GAS SHALL
25 AGGREGATE FIGURES STATED IN THE REPORTS REQUIRED BY THIS PART 1.

26 (2) It is the duty of every distributor of gasoline or special fuel
27 OTHER THAN LIQUEFIED PETROLEUM GAS to compute the amount of tax

1 payable on all gasoline or special fuel acquired during the preceding
2 calendar month at the rate of tax per gallon imposed thereon in section
3 39-27-102 (1), and, in computing the amount of tax, the allowance of two
4 percent provided for in section 39-27-102 (1) shall be taken into account.
5 IT IS THE DUTY OF EVERY DISTRIBUTOR OF LIQUEFIED PETROLEUM GAS TO
6 COMPUTE THE AMOUNT OF TAX PAYABLE ON THE LIQUEFIED PETROLEUM
7 GAS PLACED IN A FUEL TANK OR USED TO PROPEL A CARGO TANK MOTOR
8 VEHICLE IN THE PRECEDING CALENDAR MONTH AT THE RATE OF TAX PER
9 GALLON IMPOSED THEREON. From the amount of tax so computed, the
10 distributor of gasoline or special fuel shall deduct one-half of one percent
11 to cover expenses of collection of the tax and bad debt losses and shall
12 pay the remaining balance to the department of revenue at the time of
13 filing the statement required to be filed by the provisions of this section.
14 A penalty of thirty dollars or ten percent of the tax due, plus one-half of
15 one percent per month from the date when due, not to exceed eighteen
16 percent in the aggregate, whichever is greater, shall be imposed for failure
17 to file any statement when due or pay the tax as provided in this section,
18 in addition to any other penalties provided by this part 1.

19 (6) (a) Every person who imports special fuel into this state for
20 use or sale in this state without a single trip permit or a valid importer's,
21 supplier's, or distributor's license is liable for and shall pay an excise tax
22 pursuant to section 39-27-102 (1) on all undyed special fuel OTHER THAN
23 LIQUEFIED PETROLEUM GAS such person imports for use or sale in this
24 state.

25 (7) (a) If any person other than a licensed distributor or supplier
26 physically diverts to one or more destinations within the boundaries of
27 this state all or any portion of a shipment of gasoline or special fuel that

1 is claimed as an export on the bill of lading or other affidavit, such person
2 shall report to the department of revenue the destinations within this state
3 to which the diverted gasoline or special fuel shipment was delivered
4 within one working day after such diversion. Such person shall be liable
5 for payment of the excise tax established in this part 1 on the amount of
6 gasoline or special fuel OTHER THAN LIQUEFIED PETROLEUM GAS diverted
7 to a destination within this state.

8 **SECTION 8.** In Colorado Revised Statutes, **amend** 39-27-109.7
9 as follows:

10 **39-27-109.7. Data collection services.** In order to track the
11 movement of gasoline or special fuel within this state and thereby
12 facilitate and expedite the collection of excise taxes imposed pursuant to
13 this part 1, the executive director of the department of revenue may enter
14 into a contract with one or more private entities for the provision of a
15 computer-based program to monitor and track the data that licensees are
16 required to report to the department pursuant to this part 1. Such
17 computer-based program shall be funded solely with moneys from the
18 highway users tax fund; except that, for the state fiscal year 2009-10, up
19 to thirty-seven thousand six hundred thirty dollars for the computer-based
20 program to monitor and track exempt dyed diesel fuel that is blended with
21 biodiesel fuel after withdrawal at a terminal rack or refinery rack pursuant
22 to section 39-27-102.5 (2) (a) may be funded by moneys received by the
23 governor's energy office created in section 24-38.5-101, C.R.S., as said
24 office existed prior to July 1, 2012, from the United States department of
25 energy. THE DEPARTMENT SHALL UPDATE THE COMPUTER-BASED
26 PROGRAM TO MONITOR AND TRACK THE DATA THAT LIQUEFIED
27 PETROLEUM LICENSEES ARE REQUIRED TO REPORT TO THE DEPARTMENT

1 PURSUANT TO THIS PART 1 BASED ON THE CHANGES IN HOUSE BILL
2 15-____, ENACTED IN 2015.

3 **SECTION 9.** In Colorado Revised Statutes, 39-27-110, **add** (3)
4 (d) as follows:

5 **39-27-110. Inspection of records.** (3) (d) A SERIALY
6 NUMBERED INVOICE FOR THE SALE OR TRANSFER OF LIQUEFIED
7 PETROLEUM GAS REQUIRED UNDER PARAGRAPHS (b) AND (c) OF THIS
8 SUBSECTION (3) DOES NOT HAVE TO BE PREPRINTED.

9 **SECTION 10. Act subject to petition - effective date.** Sections
10 2, 3, 4, 6, 7, and 9 of this act take effect January 1, 2016, and the
11 remainder of this act takes effect at 12:01 a.m. on the day following the
12 expiration of the ninety-day period after final adjournment of the general
13 assembly (August 5, 2015, if adjournment sine die is on May 6, 2015);
14 except that, if a referendum petition is filed pursuant to section 1 (3) of
15 article V of the state constitution against this act or an item, section, or
16 part of this act within such period, then the act, item, section, or part will
17 not take effect unless approved by the people at the general election to be
18 held in November 2016 and, in such case, will take effect on the date of
19 the official declaration of the vote thereon by the governor.