

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 16-0183.01 Gregg Fraser x4325

HOUSE BILL 16-1087

HOUSE SPONSORSHIP

Becker J., Everett, Coram, Wilson, Nordberg, DelGrosso, Landgraf, Lundeen, Neville P.,
Joshi, Sias, Brown

SENATE SPONSORSHIP

(None),

House Committees

State, Veterans, & Military Affairs
Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING AN INCREASE IN THE AMOUNT OF SALES TAX REVENUE**
102 **THAT MAY BE RETAINED BY A RETAILER TO COVER THE**
103 **RETAILER'S EXPENSE IN COLLECTING AND REMITTING THE TAX.**

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/bills summaries>.)

A retailer that collects sales tax is currently allowed to retain 3 1/3% of the tax reported to cover the expense of collecting and remitting the tax. This amount is know as the "vendor's fee". The bill increases this amount gradually over a period of 5 years until it equals 5 1/2% of the tax reported.

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.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-26-105, **amend**
3 (1) (c) (II) (A) as follows:

4 **39-26-105. Vendor liable for tax - repeal.** (1) (c) (II) Except as
5 provided in section 39-26-105.3 (8) (b) (III):

6 (A) Except as provided in sub-subparagraph (B) OF THIS
7 SUBPARAGRAPH (II), the amount retained by a retailer to cover the
8 retailer's expense in collecting and remitting tax pursuant to this section
9 ~~shall be~~ ON OR BEFORE JANUARY 1, 2017, IS THREE AND ONE-THIRD PERCENT
10 OF ALL SALES TAX REPORTED; THE AMOUNT RETAINED ON OR AFTER JANUARY
11 1, 2017, BUT BEFORE JANUARY 1, 2018, IS THREE AND ONE-HALF PERCENT
12 OF ALL SALES TAX REPORTED; THE AMOUNT RETAINED ON OR AFTER
13 JANUARY 1, 2018, BUT BEFORE JANUARY 1, 2019, IS FOUR PERCENT OF ALL
14 SALES TAX REPORTED; THE AMOUNT RETAINED ON OR AFTER JANUARY 1,
15 2019, BUT BEFORE JANUARY 1, 2020, IS FOUR AND ONE-HALF PERCENT OF
16 ALL SALES TAX REPORTED; THE AMOUNT RETAINED ON OR AFTER JANUARY
17 1, 2020, BUT BEFORE JANUARY 1, 2021, IS FIVE PERCENT OF ALL SALES TAX
18 REPORTED; AND THE AMOUNT RETAINED ON OR AFTER JANUARY 1, 2021,
19 IS FIVE AND ONE-HALF PERCENT OF ALL SALES TAX REPORTED.

20 **SECTION 2. Act subject to petition - effective date.** This act
21 takes effect at 12:01 a.m. on the day following the expiration of the
22 ninety-day period after final adjournment of the general assembly (August
23 10, 2016, if adjournment sine die is on May 11, 2016); except that, if a
24 referendum petition is filed pursuant to section 1 (3) of article V of the
25 state constitution against this act or an item, section, or part of this act
26 within such period, then the act, item, section, or part will not take effect

1 unless approved by the people at the general election to be held in
2 November 2016 and, in such case, will take effect on the date of the
3 official declaration of the vote thereon by the governor.