

**First Regular Session
Sixty-third General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 01-0746.01 Nicole Hoffman

HOUSE BILL 01-1266

HOUSE SPONSORSHIP

Tochtrop, Cloer, Fairbank, Lee, and Miller

SENATE SPONSORSHIP

(None),

House Committees

Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE EXEMPTION OF CERTAIN HEALTH-RELATED**
102 **PRODUCTS FROM THE STATE SALES AND USE TAX.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Exempts nonprescription drugs approved by the federal food and drug administration as safe and effective for human consumption, with the exception of vitamin and cosmetic products, as well as adult incontinence products from the state sales and use tax. Requires any local governmental entity that presently imposes a sales and use tax on such products to continue to impose such tax unless it adopts an ordinance that explicitly exempts such products from the sales and use tax.

Defines terms.

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.** 39-26-102, Colorado Revised Statutes, is amended
3 BY THE ADDITION OF A NEW SUBSECTION to read:

4 **39-26-102. Definitions.** As used in this article, unless the context
5 otherwise requires:

6 (5.3) "INCONTINENCE PRODUCTS" MEANS ALL PRODUCTS DESIGNED
7 FOR, OR USED BY, ADULT HUMANS FOR THE INABILITY TO RETAIN URINARY
8 OR BOWEL DISCHARGES VOLUNTARILY.

9 **SECTION 2.** 39-26-114 (1) (a) (V) (A), Colorado Revised
10 Statutes, is amended to read:

11 **39-26-114. Exemptions - disputes - credits or refunds -**
12 **definitions - creation of fund.** (1) (a) There shall be exempt from
13 taxation under the provisions of this part 1 the following:

14 (V) (A) All sales of drugs dispensed in accordance with a
15 prescription; ALL SALES OF NONPRESCRIPTION DRUGS APPROVED AS SAFE
16 AND EFFECTIVE FOR HUMAN CONSUMPTION BY THE FEDERAL FOOD AND
17 DRUG ADMINISTRATION PURSUANT TO THE "FEDERAL FOOD, DRUG, AND
18 COSMETIC ACT", 21 U.S.C. SEC. 301 ET SEQ., EXCEPT VITAMIN AND
19 COSMETIC PRODUCTS; all sales of insulin in all its forms dispensed
20 pursuant to the direction of a licensed physician; all sales of glucose
21 useable for treatment of insulin reactions; all sales of urine- and
22 blood-testing kits and materials; all sales of insulin measuring and
23 injecting devices, including hypodermic syringes and needles; all sales of
24 prosthetic devices; all sales of wheelchairs and hospital beds; all sales of
25 drugs or materials when furnished by a doctor as part of professional
26 services provided to a patient; ~~and~~ all sales of corrective eyeglasses,

1 contact lenses, or hearing aids; AND ALL SALES OF INCONTINENCE
2 PRODUCTS. THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE
3 SHALL HAVE THE AUTHORITY TO PROMULGATE REASONABLE RULES AS
4 NECESSARY TO IMPLEMENT THE EXEMPTION CREATED BY THIS
5 SUB-SUBPARAGRAPH (A). SUCH RULES SHALL BE PROMULGATED IN
6 ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S.

7 **SECTION 3.** 39-26-203 (1), Colorado Revised Statutes, is
8 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

9 **39-26-203. Exemptions - definitions.** (1) This part 2 is declared
10 to be supplementary to the "Emergency Retail Sales Tax Act of 1935",
11 part 1 of this article, and shall not apply:

12 (nn) (I) TO THE STORAGE, USE, OR CONSUMPTION OF:

13 (A) NONPRESCRIPTION DRUGS APPROVED AS SAFE AND EFFECTIVE
14 FOR HUMAN CONSUMPTION BY THE FEDERAL FOOD AND DRUG
15 ADMINISTRATION PURSUANT TO THE "FEDERAL FOOD, DRUG, AND
16 COSMETIC ACT", 21 U.S.C. SEC. 301 ET SEQ., EXCEPT VITAMIN AND
17 COSMETIC PRODUCTS; AND

18 (B) INCONTINENCE PRODUCTS.

19 (II) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE
20 SHALL HAVE THE AUTHORITY TO PROMULGATE REASONABLE RULES AS
21 NECESSARY TO IMPLEMENT THE EXEMPTION CREATED BY THIS PARAGRAPH
22 (nn). SUCH RULES SHALL BE PROMULGATED IN ACCORDANCE WITH ARTICLE
23 4 OF TITLE 24, C.R.S.

24 **SECTION 4.** 29-2-105 (1) (d), Colorado Revised Statutes, is
25 amended to read:

26 **29-2-105. Contents of sales tax ordinances and proposals.**

27 (1) The sales tax ordinance or proposal of any incorporated town, city,

1 or county adopted pursuant to this article shall be imposed on the sale of
2 tangible personal property at retail or the furnishing of services, as
3 provided in paragraph (d) of this subsection (1). Any countywide or
4 incorporated town or city sales tax ordinance or proposal shall include the
5 following provisions:

6 (d) A provision that the tangible personal property and services
7 taxable pursuant to this article shall be the same as the tangible personal
8 property and services taxable pursuant to section 39-26-104, C.R.S.,
9 except as otherwise provided in this paragraph (d). The tangible personal
10 property and services taxable pursuant to this article are subject to the
11 same exemptions as those specified in section 39-26-114, C.R.S., except
12 the exemption allowed by section 39-26-114 (11), C.R.S., for purchases
13 of machinery or machine tools, the exemption of sales and purchases of
14 those items in section 39-26-114 (1) (a) (XXI), C.R.S., the exemption for
15 sales of food specified in section 39-26-114 (1) (a) (XX), C.R.S., the
16 exemption for vending machine sales of food set forth in section
17 39-26-114 (7.5), C.R.S., the exemption for occasional sales by a
18 charitable organization set forth in section 39-26-114 (18), C.R.S., the
19 exemption for sales and purchases of farm equipment and farm equipment
20 under lease or contract specified in section 39-26-114 (20), C.R.S., and
21 the exemption for sales of low-emitting motor vehicles, power sources, or
22 parts used for converting such power sources as specified in section
23 39-26-114 (22), C.R.S. Sales of food, as defined in section 39-26-102
24 (4.5), C.R.S., exempted from the state sales tax pursuant to section
25 39-26-114 (1) (a) (XX), C.R.S., vending machine sales of food as
26 described in section 39-26-114 (7.5), C.R.S., sales and purchases of those
27 items exempted from the state sales tax pursuant to section 39-26-114 (1)

1 (a) (XXI), C.R.S., purchases of machinery or machine tools as provided
2 in section 39-26-114 (11), C.R.S., occasional sales by a charitable
3 organization as provided in section 39-26-114 (18), C.R.S., sales and
4 purchases of farm equipment or farm equipment under lease or contract
5 exempted from the state sales tax pursuant to section 39-26-114 (20),
6 C.R.S., or sales of low-emitting motor vehicles, power sources, or parts
7 used for converting such power sources as specified in section 39-26-114
8 (22), C.R.S., may be exempted from said town, city, or county sales tax
9 only by the express inclusion of such exemption either at the time of
10 adoption of the initial sales tax ordinance or resolution or by amendment
11 thereto. Any such amendment shall be adopted in the same manner as the
12 initial ordinance or resolution. In the absence of an express provision for
13 the exemption for sales of food, as defined in section 39-26-102 (4.5),
14 C.R.S., or for the exemption of vending machine sales of food as provided
15 in section 39-26-114 (7.5), C.R.S., or for the exemption of purchases of
16 machinery or machine tools as provided in section 39-26-114 (11), C.R.S.,
17 or for the exemption of sales and purchases of those items in section
18 39-26-114 (1) (a) (XXI), C.R.S., or for the exemption of occasional sales
19 by a charitable organization as provided in section 39-26-114 (18), C.R.S.,
20 or exemption of sales and purchases of farm equipment or farm equipment
21 under lease or contract as provided in section 39-26-114 (20), C.R.S., or
22 exemption of sales of low-emitting motor vehicles, power sources, or
23 parts used for converting such power sources as specified in section
24 39-26-114 (22), C.R.S., all sales tax ordinances or resolutions, whether
25 adopted prior to, on, or subsequent to July 1, 1979, which provide in
26 substance that the tangible personal property and services taxed shall be
27 the same as the tangible personal property and services taxable pursuant

1 to section 39-26-104, C.R.S., or any predecessor statute, except as
2 otherwise provided in this paragraph (d), and subject to the same
3 exemptions as those specified in section 39-26-114, C.R.S., or any
4 predecessor statute, shall be construed as imposing or continuing to
5 impose the town, city, or county sales tax on food, as defined in section
6 39-26-102 (4.5), C.R.S., vending machine sales of food as described in
7 section 39-26-114 (7.5), C.R.S., purchases of machinery and machine
8 tools as described in section 39-26-114 (11), C.R.S., sales or purchases of
9 those items described in section 39-26-114 (1) (a) (XXI), C.R.S.,
10 occasional sales by a charitable organization as described in section
11 39-26-114 (18), C.R.S., sales and purchases of farm equipment and farm
12 equipment under lease or contract as described in section 39-26-114 (20),
13 C.R.S., and sales of low-emitting motor vehicles, power sources, or parts
14 used for converting such power sources as specified in section 39-26-114
15 (22), C.R.S. Any incorporated town, city, or county that adopts or has
16 adopted a sales tax ordinance or resolution pursuant to this article shall
17 levy a sales tax on pesticides that are registered by the commissioner of
18 agriculture for use in the production of agricultural and livestock products
19 pursuant to the provisions of the "Pesticide Act", article 9 of title 35,
20 C.R.S., and offered for sale by dealers licensed to sell such pesticides
21 pursuant to section 35-9-115, C.R.S., notwithstanding the removal of such
22 pesticides from the state sales tax base pursuant to House Bill 99-1381,
23 enacted at the first regular session of the sixty-second general assembly,
24 unless exempted by local ordinance or resolution. Any incorporated
25 town, city, or county that adopts or has adopted a sales tax ordinance or
26 resolution pursuant to this article shall levy a sales tax upon all sales and
27 purchases of parts used in the repair or maintenance of farm equipment,

1 all shipping pallets or aids paid for by a farm operation, and aircraft
2 designed or adapted to undertake agricultural applications,
3 notwithstanding the removal of such items from the state sales tax base
4 pursuant to House Bill 00-1162, enacted at the second regular session of
5 the sixty-second general assembly, unless exempted by local ordinance or
6 resolution. ANY INCORPORATED TOWN, CITY, OR COUNTY THAT ADOPTS OR
7 HAS ADOPTED A SALES TAX ORDINANCE OR RESOLUTION PURSUANT TO THIS
8 ARTICLE SHALL LEVY A SALES TAX UPON ALL SALES OF NONPRESCRIPTION
9 DRUGS APPROVED AS SAFE AND EFFECTIVE FOR HUMAN CONSUMPTION BY
10 THE FEDERAL FOOD AND DRUG ADMINISTRATION PURSUANT TO THE
11 "FEDERAL FOOD, DRUG, AND COSMETIC ACT", 21 U.S.C. SEC. 301 ET SEQ.,
12 AND ALL SALES OF INCONTINENCE PRODUCTS, NOTWITHSTANDING THE
13 REMOVAL OF CERTAIN NONPRESCRIPTION DRUGS AND INCONTINENCE
14 PRODUCTS FROM THE STATE SALES TAX BASE PURSUANT TO HOUSE BILL
15 01-_____, ENACTED AT THE FIRST REGULAR SESSION OF THE SIXTY-THIRD
16 GENERAL ASSEMBLY, UNLESS EXEMPTED BY LOCAL ORDINANCE OR
17 RESOLUTION. The regional transportation district may, in its discretion,
18 continue to levy a sales tax on vending machine sales of food as described
19 in section 39-26-114 (7.5), C.R.S., and on purchases of machinery or
20 machine tools, as provided in section 39-26-114 (11), C.R.S.

21 **SECTION 5.** 29-2-106 (4) (a), Colorado Revised Statutes, is
22 amended to read:

23 **29-2-106. Collection - administration - enforcement.**

24 (4) (a) The executive director of the department of revenue shall, at no
25 charge, administer, collect, and distribute the sales tax of any home rule
26 municipality, upon request of the governing body of such municipality, if
27 the provisions of the sales tax ordinance of said municipality, other than

1 those provisions relating to local procedures followed in adopting the
2 ordinance and whether or not the ordinance applies the sales tax to the
3 sale of food, as defined in section 39-26-102 (4.5), C.R.S., or purchases
4 of machinery or machine tools as provided in section 39-26-114 (11),
5 C.R.S., or sales or purchases of electricity, coal, wood, gas, fuel oil, or
6 coke as provided in section 39-26-114 (1) (a) (XXI), C.R.S., or vending
7 machine sales of food as described in section 39-26-114 (7.5), C.R.S., or
8 sales or purchases of farm equipment or farm equipment under lease or
9 contract, parts used in the repair or maintenance of farm equipment, all
10 shipping pallets or aids paid for by a farm operation, and aircraft designed
11 or adapted to undertake agricultural applications, as provided in section
12 39-26-114 (20), C.R.S., or sales of low-emitting motor vehicles, power
13 sources, or parts used for converting such power sources as specified in
14 section 39-26-114 (22), C.R.S., or to pesticides that are registered by the
15 commissioner of agriculture for use in the production of agricultural and
16 livestock products pursuant to the provisions of the "Pesticide Act", article
17 9 of title 35, C.R.S., and offered for sale by dealers licensed to sell such
18 pesticides pursuant to section 35-9-115, C.R.S., OR SALES OF
19 NONPRESCRIPTION DRUGS APPROVED AS SAFE AND EFFECTIVE FOR HUMAN
20 CONSUMPTION BY THE FEDERAL FOOD AND DRUG ADMINISTRATION
21 PURSUANT TO THE "FEDERAL FOOD, DRUG, AND COSMETIC ACT", 21
22 U.S.C. SEC. 301 ET SEQ., OR SALES OF INCONTINENCE PRODUCTS,
23 NOTWITHSTANDING THE REMOVAL OF CERTAIN NONPRESCRIPTION DRUGS
24 AND INCONTINENCE PRODUCTS FROM THE STATE SALES TAX BASE
25 PURSUANT TO HOUSE BILL 01-_____, ENACTED AT THE FIRST REGULAR
26 SESSION OF THE SIXTY-THIRD GENERAL ASSEMBLY, as provided in section
27 29-2-105 (1) (d), correspond to the requirements of this article for sales

1 taxes imposed by counties, towns, and cities and if no use tax is to be
2 collected by the department except as provided in section 39-26-208,
3 C.R.S. At the time of making such request, said governing body shall
4 certify to the executive director of the department of revenue a true copy
5 of said sales tax ordinance.

6 **SECTION 6.** 30-20-604.5 (1), Colorado Revised Statutes, is
7 amended to read:

8 **30-20-604.5. District sales tax.** (1) The board of any county
9 having a population greater than one hundred thousand or of any city that
10 has been authorized to become a city and county pursuant to an
11 amendment to the state constitution that has been approved by the
12 registered electors of the state of Colorado and that subsequently becomes
13 a city and county, regardless of population, for the purpose of funding all
14 or a portion of the cost of any improvements constructed or transportation
15 services provided pursuant to section 30-20-603 (1) (a), (1) (a.5), and (1)
16 (c), may levy a sales tax throughout the district upon every transaction or
17 other incident with respect to which a sales tax is authorized pursuant to
18 section 29-2-105, C.R.S.; except that such tax may be levied only upon
19 those transactions specified in section 39-26-104 (1) (a), (1) (b), (1) (e),
20 and (1) (f), C.R.S. The board may, in its discretion, levy or continue to
21 levy a sales tax on:

22 (a) The sales of low-emitting motor vehicles, power sources, or
23 parts used for converting such power sources as specified in section
24 39-26-114 (22), C.R.S.; AND

25 (b) ALL SALES OF NONPRESCRIPTION DRUGS APPROVED AS SAFE
26 AND EFFECTIVE FOR HUMAN CONSUMPTION BY THE FEDERAL FOOD AND
27 DRUG ADMINISTRATION PURSUANT TO THE "FEDERAL FOOD, DRUG, AND

1 COSMETIC ACT", 21 U.S.C. SEC. 301 ET SEQ., AND ALL SALES OF
2 INCONTINENCE PRODUCTS, NOTWITHSTANDING THE REMOVAL OF CERTAIN
3 NONPRESCRIPTION DRUGS AND INCONTINENCE PRODUCTS FROM THE STATE
4 SALES TAX BASE PURSUANT TO HOUSE BILL 01-_____, ENACTED AT THE
5 FIRST REGULAR SESSION OF THE SIXTY-THIRD GENERAL ASSEMBLY, UNLESS
6 THE DISTRICT ADOPTS A RESOLUTION THAT EXEMPTS SUCH PRODUCTS FROM
7 THE SALES TAX.

8 **SECTION 7.** 32-9-119 (2) (a), Colorado Revised Statutes, is
9 amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

10 **32-9-119. Additional powers of district.** (2) (a) To provide
11 revenue to finance the operations of the district, to defray the cost of
12 construction of capital improvements and acquisition of capital
13 equipment, and to pay the interest and principal on securities of the
14 district, the board, for and on behalf of the district after approval by
15 election held pursuant to articles 1 to 13 of title 1, C.R.S., shall have the
16 power to levy uniformly throughout the district a sales tax at the rate of
17 six-tenths of one percent upon every transaction or other incident with
18 respect to which a sales tax is now levied by the state, pursuant to the
19 provisions of article 26 of title 39, C.R.S.; except that:

20 (III) THE BOARD SHALL CONTINUE TO LEVY A SALES TAX UPON ALL
21 SALES OF NONPRESCRIPTION DRUGS APPROVED AS SAFE AND EFFECTIVE FOR
22 HUMAN CONSUMPTION BY THE FEDERAL FOOD AND DRUG ADMINISTRATION
23 PURSUANT TO THE "FEDERAL FOOD, DRUG, AND COSMETIC ACT", 21
24 U.S.C. SEC. 301 ET SEQ., AND ALL SALES OF INCONTINENCE PRODUCTS,
25 NOTWITHSTANDING THE REMOVAL OF CERTAIN NONPRESCRIPTION DRUGS
26 AND INCONTINENCE PRODUCTS FROM THE STATE SALES TAX BASE
27 PURSUANT TO HOUSE BILL 01-_____, ENACTED AT THE FIRST REGULAR

1 SESSION OF THE SIXTY-THIRD GENERAL ASSEMBLY, UNLESS THE DISTRICT
2 ADOPTS A RESOLUTION THAT EXEMPTS SUCH PRODUCTS FROM THE SALES
3 TAX.

4 **SECTION 8.** 32-13-105 (4) (a), Colorado Revised Statutes, is
5 amended to read:

6 **32-13-105. Authorizing elections - repeal.** (4) (a) For purposes
7 of complying with the provisions of section 20 (4) of article X of the state
8 constitution and upon proper submittal of a valid initiative petition to or
9 upon the adoption of a resolution by the board of the district created in
10 section 32-13-104, the district may submit to the registered electors within
11 the geographical boundaries of the district, at a general election or an
12 election held on the first Tuesday in November of an odd-numbered year,
13 the question of whether the district shall be authorized to levy and collect
14 the following sales and use taxes in lieu of the sales and use taxes
15 specified in subsection (1) of this section for a period of time not to
16 exceed ten years from the date upon which the authority of the district to
17 levy and collect the sales and use taxes specified in subsection (1) of this
18 section is scheduled to expire:

19 (I) A uniform sales and use tax throughout said geographical area
20 at a rate of fifty-nine one-thousandths of one percent upon every
21 transaction or other incident with respect to which a sales and use tax is
22 levied by the state, pursuant to the provisions of article 26 of title 39,
23 C.R.S., except such sales and use tax shall be levied on purchases of
24 machinery or machine tools which are otherwise exempt pursuant to
25 section 39-26-114 (11), C.R.S., to the extent such purchases are subject
26 to a sales and use tax levied by the regional transportation district
27 pursuant to section 29-2-105 (1) (d), C.R.S. ~~to~~ FOR AS LONG AS SUCH

1 SALES AND USE TAX IS LEVIED, IT SHALL ALSO BE LEVIED UPON ALL SALES
2 OF NONPRESCRIPTION DRUGS APPROVED AS SAFE AND EFFECTIVE FOR
3 HUMAN CONSUMPTION BY THE FEDERAL FOOD AND DRUG ADMINISTRATION
4 PURSUANT TO THE "FEDERAL FOOD, DRUG, AND COSMETIC ACT", 21
5 U.S.C. SEC. 301 ET SEQ., AND ALL SALES OF INCONTINENCE PRODUCTS,
6 NOTWITHSTANDING THE REMOVAL OF CERTAIN NONPRESCRIPTION DRUGS
7 AND INCONTINENCE PRODUCTS FROM THE STATE SALES TAX BASE
8 PURSUANT TO HOUSE BILL 01-_____, ENACTED AT THE FIRST REGULAR
9 SESSION OF THE SIXTY-THIRD GENERAL ASSEMBLY, UNLESS THE DISTRICT
10 ADOPTS A RESOLUTION THAT EXEMPTS SUCH PRODUCTS FROM THE SALES
11 TAX. THE REVENUES GENERATED BY THE SALES AND USE TAX SHALL be
12 distributed to the Denver museum of natural history, the Denver
13 zoological gardens, the Denver art museum, and the Denver botanical
14 gardens pursuant to the provisions of section 32-13-107 (3) (a);

15 (II) A uniform sales and use tax throughout said geographical area
16 at a rate of twenty-eight one-thousandths of one percent upon every
17 transaction or other incident with respect to which a sales and use tax is
18 levied by the state, pursuant to the provisions of article 26 of title 39,
19 C.R.S., except such sales and use tax shall be levied on purchases of
20 machinery or machine tools which are otherwise exempt pursuant to
21 section 39-26-114 (11), C.R.S., to the extent such purchases are subject
22 to a sales and use tax levied by the regional transportation district
23 pursuant to section 29-2-105 (1) (d), C.R.S. ~~to~~ FOR AS LONG AS SUCH
24 SALES AND USE TAX IS LEVIED, IT SHALL ALSO BE LEVIED UPON ALL SALES
25 OF NONPRESCRIPTION DRUGS APPROVED AS SAFE AND EFFECTIVE FOR
26 HUMAN CONSUMPTION BY THE FEDERAL FOOD AND DRUG ADMINISTRATION
27 PURSUANT TO THE "FEDERAL FOOD, DRUG, AND COSMETIC ACT", 21

1 U.S.C. SEC. 301 ET SEQ., AND ALL SALES OF INCONTINENCE PRODUCTS,
2 NOTWITHSTANDING THE REMOVAL OF CERTAIN NONPRESCRIPTION DRUGS
3 AND INCONTINENCE PRODUCTS FROM THE STATE SALES TAX BASE
4 PURSUANT TO HOUSE BILL 01-_____, ENACTED AT THE FIRST REGULAR
5 SESSION OF THE SIXTY-THIRD GENERAL ASSEMBLY, UNLESS THE DISTRICT
6 ADOPTS A RESOLUTION THAT EXEMPTS SUCH PRODUCTS FROM THE SALES
7 TAX. THE REVENUES GENERATED BY THE SALES AND USE TAX SHALL be
8 distributed to scientific and cultural facilities pursuant to the provisions
9 of section 32-13-107 (3) (b);

10 (III) A uniform sales and use tax throughout said geographical area
11 at a rate of thirteen one-thousandths of one percent upon every transaction
12 or other incident with respect to which a sales and use tax is levied by the
13 state, pursuant to the provisions of article 26 of title 39, C.R.S., except
14 such sales and use tax shall be levied on purchases of machinery or
15 machine tools which are otherwise exempt pursuant to section 39-26-114
16 (11), C.R.S., to the extent such purchases are subject to a sales and use tax
17 levied by the regional transportation district pursuant to section 29-2-105
18 (1) (d), C.R.S. ~~to~~ FOR AS LONG AS SUCH SALES AND USE TAX IS LEVIED, IT
19 SHALL ALSO BE LEVIED UPON ALL SALES OF NONPRESCRIPTION DRUGS
20 APPROVED AS SAFE AND EFFECTIVE FOR HUMAN CONSUMPTION BY THE
21 FEDERAL FOOD AND DRUG ADMINISTRATION PURSUANT TO THE "FEDERAL
22 FOOD, DRUG, AND COSMETIC ACT", 21 U.S.C. SEC. 301 ET SEQ., AND ALL
23 SALES OF INCONTINENCE PRODUCTS, NOTWITHSTANDING THE REMOVAL OF
24 CERTAIN NONPRESCRIPTION DRUGS AND INCONTINENCE PRODUCTS FROM
25 THE STATE SALES TAX BASE PURSUANT TO HOUSE BILL 01-_____, ENACTED
26 AT THE FIRST REGULAR SESSION OF THE SIXTY-THIRD GENERAL ASSEMBLY,
27 UNLESS THE DISTRICT ADOPTS A RESOLUTION THAT EXEMPTS SUCH

1 PRODUCTS FROM THE SALES TAX. THE REVENUES GENERATED BY THE
2 SALES AND USE TAX SHALL be distributed to scientific and cultural
3 facilities pursuant to the provisions of section 32-13-107 (3) (c).

4 **SECTION 9.** 32-13-107 (1) (a), Colorado Revised Statutes, is
5 amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

6 **32-13-107. Sales and use tax imposed - collection -**
7 **administration of tax - use.** (1) (a) Except as otherwise provided in
8 paragraph (b) of this subsection (1), upon the approval of the registered
9 electors pursuant to the provisions of section 32-13-105, the board shall
10 have the power to levy such uniform sales and use taxes throughout the
11 district created in section 32-13-104 upon every transaction or other
12 incident with respect to which a sales and use tax is levied by the state,
13 pursuant to the provisions of article 26 of title 39, C.R.S.; except that such
14 sales and use tax shall be levied on:

15 (IV) ALL SALES OF NONPRESCRIPTION DRUGS APPROVED AS SAFE
16 AND EFFECTIVE FOR HUMAN CONSUMPTION BY THE FEDERAL FOOD AND
17 DRUG ADMINISTRATION PURSUANT TO THE "FEDERAL FOOD, DRUG, AND
18 COSMETIC ACT", 21 U.S.C. SEC. 301 ET SEQ., AND ALL SALES OF
19 INCONTINENCE PRODUCTS, NOTWITHSTANDING THE REMOVAL OF CERTAIN
20 NONPRESCRIPTION DRUGS AND INCONTINENCE PRODUCTS FROM THE STATE
21 SALES TAX BASE PURSUANT TO HOUSE BILL 01-_____, ENACTED AT THE
22 FIRST REGULAR SESSION OF THE SIXTY-THIRD GENERAL ASSEMBLY, UNLESS
23 THE DISTRICT ADOPTS A RESOLUTION THAT EXEMPTS SUCH PRODUCTS FROM
24 THE SALES TAX.

25 **SECTION 10.** 32-14-114 (1), Colorado Revised Statutes, is
26 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

27 **32-14-114. Sales tax imposed - collection - administration of tax**

1 - **discontinuance.** (1) Upon the approval of the registered electors
2 pursuant to the provisions of section 32-14-105 and upon the granting of
3 a major league baseball franchise by major league baseball to be located
4 in the district, the board shall have the power to levy such uniform sales
5 tax for a period not to exceed twenty years throughout the district created
6 in section 32-14-104 upon every transaction or other incident with respect
7 to which a sales tax is levied by the state, pursuant to the provisions of
8 article 26 of title 39, C.R.S.; except that such sales tax shall be levied on:

9 (d) ALL SALES OF NONPRESCRIPTION DRUGS APPROVED AS SAFE
10 AND EFFECTIVE FOR HUMAN CONSUMPTION BY THE FEDERAL FOOD AND
11 DRUG ADMINISTRATION PURSUANT TO THE "FEDERAL FOOD, DRUG, AND
12 COSMETIC ACT", 21 U.S.C. SEC. 301 ET SEQ., AND ALL SALES OF
13 INCONTINENCE PRODUCTS, NOTWITHSTANDING THE REMOVAL OF CERTAIN
14 NONPRESCRIPTION DRUGS AND INCONTINENCE PRODUCTS FROM THE STATE
15 SALES TAX BASE PURSUANT TO HOUSE BILL 01-_____, ENACTED AT THE
16 FIRST REGULAR SESSION OF THE SIXTY-THIRD GENERAL ASSEMBLY, UNLESS
17 THE DISTRICT ADOPTS A RESOLUTION THAT EXEMPTS SUCH PRODUCTS FROM
18 THE SALES TAX.

19 **SECTION 11.** 32-15-110 (1), Colorado Revised Statutes, is
20 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

21 **32-15-110. Sales tax imposed - collection - administration of tax**
22 - **discontinuance.** (1) Upon the approval of the registered electors
23 pursuant to the provisions of section 32-15-107, the board shall have the
24 power to levy such uniform sales tax upon the adoption of a resolution for
25 a period commencing after the termination of the sales tax levied and
26 collected by the Denver metropolitan major league baseball stadium
27 district pursuant to section 32-14-105 and continuing for a period not to

1 extend beyond January 1, 2012, throughout the district created in section
2 32-15-104 upon every transaction or other incident with respect to which
3 a sales tax is levied by the state, pursuant to the provisions of article 26
4 of title 39, C.R.S.; except that such sales tax shall be levied on:

5 (d) ALL SALES OF NONPRESCRIPTION DRUGS APPROVED AS SAFE
6 AND EFFECTIVE FOR HUMAN CONSUMPTION BY THE FEDERAL FOOD AND
7 DRUG ADMINISTRATION PURSUANT TO THE "FEDERAL FOOD, DRUG, AND
8 COSMETIC ACT", 21 U.S.C. SEC. 301 ET SEQ., AND ALL SALES OF
9 INCONTINENCE PRODUCTS, NOTWITHSTANDING THE REMOVAL OF CERTAIN
10 INCONTINENCE PRODUCTS FROM THE STATE SALES TAX BASE PURSUANT TO
11 HOUSE BILL 01-_____, ENACTED AT THE FIRST REGULAR SESSION OF THE
12 SIXTY-THIRD GENERAL ASSEMBLY, UNLESS THE DISTRICT ADOPTS A
13 RESOLUTION THAT EXEMPTS SUCH PRODUCTS FROM THE SALES TAX.

14 **SECTION 12. Effective date - applicability.** (1) This act shall
15 take effect at 12:01 a.m. on the day following the expiration of the
16 ninety-day period after final adjournment of the general assembly that is
17 allowed for submitting a referendum petition pursuant to article V, section
18 1 (3) of the state constitution; except that, if a referendum petition is filed
19 against this act or an item, section, or part of this act within such period,
20 then the act, item, section, or part, if approved by the people, shall take
21 effect on the date of the official declaration of the vote thereon by
22 proclamation of the governor.

23 (2) The provisions of this act shall apply to fiscal years
24 commencing after the applicable effective date of this act.