

CLHB1342.001 -- PROPOSED CONFERENCE COMMITTEE REPORT.

DRAFT 5.5.09

FIRST REPORT OF FIRST CONFERENCE COMMITTEE ON HB09-1342

***** THIS REPORT AMENDS THE REREVISED BILL *****

To the President of the Senate and the Speaker of the House of Representatives:

Your first conference committee appointed on HB09-1342, concerning the elimination of the state sales and use tax exemption for cigarettes, and making an appropriation in connection therewith, has met and reports that it has agreed upon the following:

- 1. That the House accede to the Senate amendments made to the bill, as the amendments appear in the rerevised bill.
2. That, under the authority granted the committee to consider matters not at issue between the two houses, the following amendments be recommended:

Amend rerevised bill, page 2, after line 14, insert the following:

"(c) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, FOR ANY LOCAL GOVERNMENT OR POLITICAL SUBDIVISION OF THE STATE THAT LEVIES A SALES OR USE TAX BASED ON THE SALES OR USE TAX LEVIED BY THE STATE PURSUANT TO THIS ARTICLE, THE SALE OR STORAGE, USE, OR CONSUMPTION OF CIGARETTES AFTER JUNE 30, 2009, AND BEFORE JULY 1, 2011, SHALL BE EXEMPT FROM THE SALES OR USE TAX OF SUCH LOCAL GOVERNMENT OR POLITICAL SUBDIVISION.

SECTION 2. 29-1-204.5 (3) (f.1) (I), Colorado Revised Statutes, is amended to read:

29-1-204.5. Establishment of multijurisdictional housing authorities. (3) The general powers of such authority shall include the following powers:

(f.1) (I) Subject to the provisions of subsection (7.5) of this section, to levy, in all of the area within the boundaries of the authority, a sales or use tax, or both, at a rate not to exceed one percent, upon every transaction or other incident with respect to which a sales or use tax is levied by the state, EXCLUDING THE SALE OR USE OF CIGARETTES. The tax imposed pursuant to this paragraph (f.1) is in addition to any other sales or use tax imposed pursuant to law. The executive director of the department of revenue shall collect, administer, and enforce the sales or use tax, to the extent feasible, in the manner provided in section 29-2-106. However, the executive director shall not begin the collection, administration, and enforcement of a sales and use tax until such time as the financial officer of the authority and the executive director have agreed on all necessary matters pursuant to subparagraph (III) of paragraph (e) of subsection (2) of this section. The executive director shall begin the collection, administration, and enforcement of a sales and use tax on a date mutually agreeable to the department of revenue and the authority."

Renumber succeeding sections accordingly.

Page 5, line 2, after "SALE", insert "OR USE";

line 19, after "SALE", insert "OR USE".

Page 6, line 6, after "SALE", insert "OR USE";

line 23, after "SALE", insert "OR USE".

Page 10, after line 10, insert the following:

"SECTION 16. 43-4-605 (1) (j) (II), Colorado Revised Statutes, is amended to read:

43-4-605. Powers of the authority - inclusion or exclusion of property - determination of regional transportation system alignment - fund created. (1) (j) (II) A sales or use tax, or both, levied pursuant to subparagraph (I) of this paragraph (j) shall not be levied on the sale of tangible personal property:

(A) Delivered by a retailer or a retailer's agent or to a common carrier for delivery to a destination outside the authority; or

(B) Upon which specific ownership tax has been paid or is payable if the purchaser resides outside the boundaries of the authority or the purchaser's principal place of business is outside the boundaries of the authority and if the personal property is registered or required to be registered outside the boundaries of the authority; OR

(C) WHERE SUCH TANGIBLE PERSONAL PROPERTY IS A CIGARETTE."

Renumber succeeding sections accordingly.

Page 10, line 26, after "sold", insert "or used".

Respectfully submitted,

House Committee:

Senate Committee:

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