

HOUSE COMMITTEE OF REFERENCE REPORT

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Chair of Committee

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Date

February 21, 2019

Committee on Rural Affairs & Agriculture.

After consideration on the merits, the Committee recommends the following:

HB19-1162 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend printed bill, page 2, after line 1 insert:

2 "SECTION 1. In Colorado Revised Statutes, 29-2-105, amend  
3 (1)(d)(I)(F) as follows:

4 **29-2-105. Contents of sales tax ordinances and proposals -**  
5 **repeal.** (1) The sales tax ordinance or proposal of any incorporated town,  
6 city, or county adopted pursuant to this article 2 shall be imposed on the  
7 sale of tangible personal property at retail or the furnishing of services,  
8 as provided in subsection (1)(d) of this section. Any countywide or  
9 incorporated town or city sales tax ordinance or proposal shall include the  
10 following provisions:

11 (d) (I) A provision that the sale of tangible personal property and  
12 services taxable pursuant to this article 2 shall be the same as the sale of  
13 tangible personal property and services taxable pursuant to section  
14 39-26-104, except as otherwise provided in this subsection (1)(d). The  
15 sale of tangible personal property and services taxable pursuant to this  
16 article 2 shall be subject to the same sales tax exemptions as those  
17 specified in part 7 of article 26 of title 39; except that the sale of the  
18 following may be exempted from a town, city, or county sales tax only by  
19 the express inclusion of the exemption either at the time of adoption of  
20 the initial sales tax ordinance or resolution or by amendment thereto:

21 (F) The exemption for sales of farm equipment and farm  
22 equipment under lease or contract specified in section 39-26-716 (2)(b)  
23 and (2)(c). ~~C.R.S.~~; THE EXPRESS INCLUSION OF THE EXEMPTION BY A

1 TOWN, CITY, OR COUNTY BEFORE THE EFFECTIVE DATE OF THIS  
2 SUBSECTION (1)(d)(I)(F), AS AMENDED, DOES NOT EXEMPT FROM THE  
3 TOWN, CITY, OR COUNTY SALES TAX ANY VISUAL, ELECTRONIC  
4 IDENTIFICATION, OR MATCHED PAIR EAR TAGS AND ELECTRONIC  
5 IDENTIFICATION READERS USED TO SCAN EAR TAGS THAT ARE USED BY A  
6 FARM OPERATOR TO IDENTIFY OR TRACK FOOD ANIMALS, INCLUDING  
7 ANIMALS USED FOR FOOD OR IN THE PRODUCTION OF FOOD, THAT WERE  
8 ADDED TO THE DEFINITION OF "FARM EQUIPMENT" SET FORTH IN SECTION  
9 39-26-716 (1)(d) BY HOUSE BILL 19-1162, ENACTED IN 2019, AND  
10 THEREBY EXEMPTED FROM STATE SALES AND USE TAXES BUT SUCH A  
11 TOWN, CITY, OR COUNTY MAY EXPRESSLY EXEMPT SUCH ITEMS BY A  
12 SUBSEQUENT AMENDMENT TO ITS SALES TAX ORDINANCE OR  
13 RESOLUTION."

14 Renumber succeeding sections accordingly.

15 Page 2, line 19, strike "JULY" and substitute "SEPTEMBER".

16 Page 2, line 21, strike "IDENTIFICATION OR TRACKING EQUIPMENT OR  
17 SYSTEMS" and substitute "VISUAL, ELECTRONIC IDENTIFICATION, OR  
18 MATCHED PAIR EAR TAGS AND ELECTRONIC IDENTIFICATION READERS  
19 USED TO SCAN EAR TAGS THAT ARE".

20 Page 3, strike lines 5 through 7 and substitute:

21 **"SECTION 3. Act subject to petition - effective date.** This act  
22 takes effect at 12:01 a.m. on the day following the expiration of the  
23 ninety-day period after final adjournment of the general assembly (August  
24 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a  
25 referendum petition is filed pursuant to section 1 (3) of article V of the  
26 state constitution against this act or an item, section, or part of this act  
27 within such period, then the act, item, section, or part will not take effect  
28 unless approved by the people at the general election to be held in  
29 November 2020 and, in such case, will take effect on the date of the  
30 official declaration of the vote thereon by the governor."

31 Page 1, line 102, strike "EQUIPMENT AND SYSTEMS" and substitute "EAR  
32 TAGS AND EAR TAG SCANNERS".

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