

**Second Regular Session
Seventieth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

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 known 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~~ PRIOR TO JANUARY 1, 2018, IS three and one-third percent of all
10 sales tax reported, AND, ON AND AFTER JANUARY 1, 2018, IS FOUR AND
11 ONE-HALF PERCENT OF ALL SALES TAX REPORTED BY A RETAILER WHOSE
12 LIABILITY FOR STATE SALES TAX ONLY FOR THE PREVIOUS CALENDAR YEAR
13 WAS SEVENTY-FIVE THOUSAND DOLLARS OR LESS OR THREE AND
14 ONE-THIRD PERCENT OF ALL SALES TAX REPORTED BY A RETAILER WHOSE
15 LIABILITY FOR STATE SALES TAX ONLY FOR THE PREVIOUS CALENDAR YEAR
16 WAS MORE THAN SEVENTY-FIVE THOUSAND DOLLARS.

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

- 1 November 2016 and, in such case, will take effect on the date of the
- 2 official declaration of the vote thereon by the governor.