

**First Regular Session
Seventy-first General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 17-0972.01 Esther van Mourik x4215

SENATE BILL 17-208

SENATE SPONSORSHIP

Priola,

HOUSE SPONSORSHIP

(None),

Senate Committees

Finance

House Committees

A BILL FOR AN ACT

101 **CONCERNING SALES AND USE TAX TREATMENT OF EQUIPMENT USED IN**
102 **CONSTRUCTION MATERIALS MINING OPERATIONS.**

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://leg.colorado.gov>.)

Purchases of machinery or machine tools to be used in Colorado directly and predominantly in manufacturing tangible personal property are currently exempt from state sales and use tax. The bill extends the exemption to machinery or machine tools purchased by a business for construction materials mining operations.

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, 39-26-709, **amend**

3 (1)(c)(III) as follows:

4 **39-26-709. Machinery and machine tools - definitions.**

5 (1) (c) As used in this subsection (1):

6 (III) "Manufacturing" means the operation of producing a new
7 product, article, substance, or commodity different from and having a
8 distinctive name, character, or use from raw or prepared materials,
9 including the:

10 (A) Processing of recovered materials; AND

11 (B) PROCESSING OF MATERIALS FROM A CONSTRUCTION
12 MATERIALS MINING OPERATION AS DEFINED IN SECTION 34-32.5-103,
13 INCLUDING ANY CONCENTRATING, MILLING, EVAPORATION, CLEANING,
14 PREPARATION, TRANSPORTATION, AND OTHER OFF-SITE OPERATIONS NOT
15 CONDUCTED ON AFFECTED LAND.

16 **SECTION 2. Applicability.** This act applies to sales of
17 machinery and machine tools occurring on or after July 1, 2017.

18 **SECTION 3. Safety clause.** The general assembly hereby finds,
19 determines, and declares that this act is necessary for the immediate
20 preservation of the public peace, health, and safety.