

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

**INTRODUCED**

LLS NO. 19-0259.01 Jason Gelender x4330

**HOUSE BILL 19-1011**

---

**HOUSE SPONSORSHIP**

**Hooton**, Arndt, McKean

**SENATE SPONSORSHIP**

**Tate**, Moreno, Zenzinger

---

**House Committees**

Transportation & Local Government

**Senate Committees**

---

**A BILL FOR AN ACT**

101 **CONCERNING CLARIFICATION OF THE SCOPE OF AN EXISTING SALES**

102 **TAX EXEMPTION FOR MANUFACTURED HOMES.**

---

**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/>.)*

**Statutory Revision Committee.** A state sales and use tax exemption statute (exemption statute) exempts from state sales tax, and through operation of another statute also exempts from local sales taxes, 48% of the purchase price for the initial sale of "factory-built housing" and 100% of the purchase price for any subsequent sale of a "manufactured home" (sales tax exemption). The exemption statute

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters or bold & italic numbers indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.

references another statute defining "factory-built housing". In Senate Bill 03-182, however, the general assembly replaced the existing definition of "factory-built housing" with a new definition of "factory-built residential structure", and the statute referenced in the exemption statute actually defines the latter term. The definition of "factory-built residential structure" includes only "structures designed to be installed on a permanent foundation" and therefore arguably limits the sales tax exemption, which had previously clearly applied to structures designed for occupancy in either temporary or permanent locations, to only those structures designed to be installed on permanent foundations.

The bill clarifies the scope of the sales tax exemption by allowing it for "manufactured homes", a term that a specifically referenced statute defines broadly to include homes designed to be installed on either temporary or permanent foundations.

---

1 *Be it enacted by the General Assembly of the State of Colorado:*

2           **SECTION 1. Legislative declaration.** The general assembly  
3 declares that the purpose of this legislation, enacted in 2019, is to effect  
4 a nonsubstantive change in statute to clarify the scope of an existing state  
5 sales and use tax exemption for manufactured homes. The general  
6 assembly further declares that the addition of such clarifying language to  
7 the section does not in any way alter the scope or applicability of the  
8 statutory section involved.

9           **SECTION 2.** In Colorado Revised Statutes, 39-26-721, **amend**  
10 (1) and (2) as follows:

11           **39-26-721. Manufactured homes.** (1) Forty-eight percent of the  
12 purchase price of ~~factory-built housing, as such housing is defined in~~  
13 ~~section 24-32-3302 (10), C.R.S., shall be~~ A MANUFACTURED HOME, AS  
14 DEFINED IN SECTION 42-1-102 (106)(b), IS exempt from taxation under  
15 part 1 of this article **26**; except that the entire purchase price in any  
16 subsequent sale of SUCH a manufactured home, ~~as such vehicle is defined~~  
17 ~~in section 42-1-102 (106)(b), C.R.S., after such manufactured home~~ IT has

1     been once subject to the payment of sales tax by virtue of section  
2     39-26-113, ~~shall be~~ IS exempt from taxation under part 1 of this article **2.6**

3             (2) The storage, use, or consumption of a manufactured home, as  
4     ~~such vehicle is~~ defined in section 42-1-102 (106)(b), ~~C.R.S.~~, after ~~such~~  
5     THE manufactured home has been once subject to the payment of use tax  
6     by virtue of section 39-26-208, ~~shall be~~ IS exempt from taxation under ~~the~~  
7     ~~provisions of~~ part 2 of this article **2.6**

8             **SECTION 3. Effective date.** This act takes effect July 1, 2019.

9             **SECTION 4. Safety clause.** The general assembly hereby finds,  
10     determines, and declares that this act is necessary for the immediate  
11     preservation of the public peace, health, and safety.