

CHAPTER 263

TAXATION

HOUSE BILL 19-1323

BY REPRESENTATIVE(S) Herod and Van Winkle, Baisley, Bird, Bockenfeld, Buck, Buckner, Buentello, Duran, Esgar, Exum, Galindo, Gray, Kipp, Lontine, Melton, Michaelson Jenet, Ransom, Saine, Sandridge, Snyder, Soper, Valdez A., Valdez D., Williams D., Becker;
also SENATOR(S) Todd and Lundeen, Bridges, Coram, Gardner, Ginal, Hisey, Moreno, Pettersen, Priola, Smallwood, Sonnenberg, Story, Tate, Winter, Woodward, Zenzinger.

AN ACT**CONCERNING AN EXEMPTION FROM STATE SALES TAX FOR OCCASIONAL SALES BY CHARITABLE ORGANIZATIONS.**

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

SECTION 1. In Colorado Revised Statutes, 39-26-718, **amend** (1)(b) as follows:

39-26-718. Charitable organizations - association or organization of parents and teachers of public school students. (1) The following shall be exempt from taxation under the provisions of part 1 of this article 26:

(b) (I) ~~Effective July 1, 1995,~~ All ~~occasional~~ sales by a charitable organization OF TANGIBLE PERSONAL PROPERTY, COMMODITIES, OR SERVICES OTHERWISE SUBJECT TO TAX UNDER THIS ARTICLE 26 IF:

~~(II) For purposes of this paragraph (b), "occasional sales" means retail sales of tangible personal property, including concessions, for fund-raising purposes if:~~

(A) ~~The sale of tangible personal property or concessions by the charitable organization takes place no more than twelve days, whether consecutive or not, during any one~~ NET PROCEEDS FROM SALES BY THE CHARITABLE ORGANIZATIONS OF TANGIBLE PERSONAL PROPERTY, COMMODITIES, OR SERVICES OTHERWISE SUBJECT TO TAX UNDER THIS ARTICLE 26 DO NOT EXCEED FORTY-FIVE THOUSAND DOLLARS DURING THE PRECEDING calendar year; AND

(B) The funds raised by the charitable organization through these sales are

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retained by the organization to be used in the course of the organization's charitable service. ~~and~~

~~(C) The funds raised by the charitable organization through these sales do not exceed twenty-five thousand dollars during any one calendar year.~~

(II) THE EXEMPTION IN THIS SUBSECTION (1)(b) SHALL NOT APPLY TO SALES MADE BY A CHARITABLE ORGANIZATION ON AND AFTER THE DATE THAT THE NET PROCEEDS FROM SALES BY THE CHARITABLE ORGANIZATION OF TANGIBLE PERSONAL PROPERTY, COMMODITIES, OR SERVICES OTHERWISE SUBJECT TO TAX UNDER THIS ARTICLE 26 EXCEEDS FORTY-FIVE THOUSAND DOLLARS DURING THE CURRENT CALENDAR YEAR.

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

(2) This act applies to sales that occur on or after January 1, 2020.

Approved: May 23, 2019