

First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

REREVISED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 23-0733.01 Zach Blaes x4348

HOUSE BILL 23-1251

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A BILL FOR AN ACT

101 **CONCERNING THE REPEAL OF OBSOLETE PROVISIONS IN TITLE 39 OF**
102 **THE COLORADO REVISED STATUTES.**

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. The bill repeals obsolete provisions in title 39 as follows:

- To conform with the expiration of the tax credit previously allowed for category 2 and category 3 motor vehicles, **section 1** of the bill repeals the tax credit and the definitions of category 2 and category 3 motor vehicles;

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

SENATE
3rd Reading Unamended
April 27, 2023

SENATE
2nd Reading Unamended
April 26, 2023

HOUSE
3rd Reading Unamended
April 11, 2023

HOUSE
2nd Reading Unamended
April 10, 2023

- **Section 2** repeals the obsolete definition of "Colorado company, limited liability company, or partnership" in the law regarding tax modifications for net capital gains;
- To conform with the expiration of the tax credit previously allowed for employers who hired a person with a developmental disability, **section 3** repeals the tax credit; and
- Current law specifies that the department of revenue has a duty to provide a refund or credit to a person entitled to an exemption from tax paid on a sale, service, or commodity. **Section 4** repeals a provision relating to an exemption for tax paid by an independent contractor under certain conditions that was applicable before July 1, 1979.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-22-516.7, **repeal**
 3 (1)(f), (1)(g), and (2)(a.3) as follows:

4 **39-22-516.7. Tax credit for innovative motor vehicles -**
 5 **definitions - repeal.** (1) As used in this section, unless the context
 6 otherwise requires:

7 (f) ~~"Category 2" means light-duty passenger motor vehicle~~
 8 ~~diesel-electric hybrids with a minimum fuel economy of seventy miles per~~
 9 ~~gallon.~~

10 (g) ~~"Category 3" means light-duty passenger motor vehicle,~~
 11 ~~light-duty truck, and medium-duty truck diesel-electric hybrid~~
 12 ~~conversions that increase the fuel economy of the original motor vehicle~~
 13 ~~by forty percent or more.~~

14 (2) (a.3) ~~With respect to the tax years commencing on or after~~
 15 ~~January 1, 2013, but prior to January 1, 2017, there is allowed to any~~
 16 ~~person a credit against the tax imposed by this article, not to exceed six~~
 17 ~~thousand dollars, for the purchase, lease, or conversion of a motor vehicle~~
 18 ~~defined as category 2 or category 3.~~

1 **SECTION 2.** In Colorado Revised Statutes, 39-22-518, **repeal**
2 (2)(b)(II)(A) as follows:

3 **39-22-518. Tax modification for net capital gains - definitions**
4 **- repeal.** (2) For the purposes of this section:

5 (b) (II) For purposes of this subsection (2)(b):

6 (A) ~~"Colorado company, limited liability company, or partnership"~~
7 ~~means an entity with fifty percent or more of its property and payroll, as~~
8 ~~determined in accordance with article IV of the multistate tax compact,~~
9 ~~section 24-60-1301, C.R.S., assigned to locations within Colorado.~~

10 **SECTION 3.** In Colorado Revised Statutes, **repeal** 39-22-530.

11 **SECTION 4.** In Colorado Revised Statutes, 39-26-703, **amend**
12 (2)(c) as follows:

13 **39-26-703. Disputes and refunds - repeal.** (2) (c) A refund shall
14 be made or a credit allowed by the executive director of the department
15 of revenue to any person entitled to an exemption where the person
16 establishes: That a tax was paid by another on a purchase made on behalf
17 of such person; ~~or that a tax was paid by an independent contractor on or~~
18 ~~before July 1, 1979, on tangible personal property incorporated into realty~~
19 ~~for the sole use, benefit, and ownership of any person entitled to an~~
20 ~~exemption;~~ that a refund has not been granted to the person making the
21 purchase; and that the person entitled to exemption paid or reimbursed the
22 purchaser for such tax. No such refund shall be made or credit allowed in
23 an amount greater than the tax paid.

24 **SECTION 5. Act subject to petition - effective date.** This act
25 takes effect at 12:01 a.m. on the day following the expiration of the
26 ninety-day period after final adjournment of the general assembly; except
27 that, if a referendum petition is filed pursuant to section 1 (3) of article V

1 of the state constitution against this act or an item, section, or part of this
2 act within such period, then the act, item, section, or part will not take
3 effect unless approved by the people at the general election to be held in
4 November 2024 and, in such case, will take effect on the date of the
5 official declaration of the vote thereon by the governor.