

First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 23-0550.01 Nicole Myers x4326

SENATE BILL 23-207

SENATE SPONSORSHIP

Buckner,

HOUSE SPONSORSHIP

(None),

Senate Committees
Finance

House Committees

A BILL FOR AN ACT

101 **CONCERNING A REFUND OF THE STATE SALES AND USE TAX PAID ON**
102 **CERTAIN ITEMS PURCHASED IN CONNECTION WITH AN ELIGIBLE**
103 **DATA CENTER.**

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>.)

For the state fiscal year beginning July 1, 2025, and for each state fiscal year thereafter through the state fiscal year beginning July 1, 2034, the bill allows a data center business or a data center operator (taxpayer) to claim a refund of all state sales and use tax that the taxpayer paid for construction materials or data center equipment that is for the

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.

construction or operation of an eligible data center.

To be eligible to claim a sales and use tax refund, the taxpayer is required to obtain certification from the Colorado office of economic development (office) stating that the data center is an eligible data center and that the taxpayer may claim a refund of state sales and use tax (certification). An "eligible data center" is defined as a data center that creates a specified number of jobs, generates a specified amount of revenue, and requires a specified amount of power. The sales and use tax refund is allowed only for the sale, storage, or use of construction materials or data center equipment that occurs on or after the date that the taxpayer obtains certification from the office.

When a taxpayer believes that the data center that will be identified in a sales and use tax refund application satisfies the criteria to be an eligible data center, the taxpayer may apply to the office for the certification. The taxpayer must demonstrate in the certification application that the data center is an eligible data center and the taxpayer is required to submit any documentation or proof that the office deems necessary to determine whether a data center satisfies the criteria to be an eligible data center.

If, based on the information provided to the office and after consultation with the economic development commission, the office determines that a data center satisfies the criteria to be an eligible data center, the office is required to notify the department of revenue (department) and issue a certification to the taxpayer.

To claim a sales and use tax refund, a taxpayer must submit a refund application and a copy of the certification from the office to the department. A taxpayer is required to submit certain documentation with the application.

The bill allows a taxpayer to assign a certification to specified types of parties after it is awarded.

The bill requires the office and the department to prepare an annual report including information regarding eligible data centers and state sales and use tax refunds allowed. The office is required to submit the report to the finance committees of the house of representatives and senate.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 24-48.5-133 as
3 follows:

4 **24-48.5-133. Eligible data centers - refund of state sales and**
5 **use tax - application process - criteria - awards - report - legislative**

1 **declaration - definitions.** (1) (a) THE GENERAL ASSEMBLY HEREBY FINDS
2 AND DECLARES THAT:

3 (I) THE DATA CENTER INDUSTRY IS A STABLE AND FAST-GROWING
4 INDUSTRY THAT IS INCREASINGLY SEEN AS CRITICAL INFRASTRUCTURE TO
5 A SUCCESSFUL ECONOMY;

6 (II) COLORADO IS BEING OVERLOOKED FOR DATA CENTER
7 DEVELOPMENT BECAUSE THE STATE DOES NOT HAVE A COORDINATED
8 STATE-LEVEL PROGRAM TO ATTRACT DATA CENTER OPERATIONS TO THE
9 STATE;

10 (III) DATA CENTERS CREATE HIGH-SKILLED JOBS WHILE
11 EXPANDING THE TAX BASE AND ARE PRIME EXAMPLES OF CORPORATE
12 ENVIRONMENTAL, SOCIAL, AND GOVERNANCE EFFORTS BECAUSE THEY
13 HAVE A LOW IMPACT ON GOVERNMENT RESOURCES;

14 (IV) THE AVERAGE DATA CENTER ADDS THIRTY-TWO MILLION FIVE
15 HUNDRED THOUSAND DOLLARS IN ECONOMIC ACTIVITY TO ITS LOCAL
16 COMMUNITY EACH YEAR ACCORDING TO A RECENT REPORT BY THE UNITED
17 STATES CHAMBER TECHNOLOGY ENGAGEMENT CENTER;

18 (V) A TYPICAL DATA CENTER GENERATES AN ADDITIONAL NINE
19 MILLION NINE HUNDRED THOUSAND DOLLARS IN REVENUE FOR STATE AND
20 LOCAL GOVERNMENTS DURING CONSTRUCTION ACCORDING TO A REPORT
21 BY THE UNITED STATES CHAMBER OF COMMERCE;

22 (VI) ANNUALLY, A TYPICAL LARGE DATA CENTER SUPPORTS ONE
23 HUNDRED FIFTY-SEVEN LOCAL JOBS AND SEVEN MILLION EIGHT HUNDRED
24 THOUSAND DOLLARS IN WAGES AT THE DATA CENTER AND ALONG THE
25 SUPPLY CHAIN. IN ADDITION TO PROPERTY AND SALES TAXES PAID
26 DIRECTLY BY THE DATA CENTER, LOCAL GOVERNMENTS RECEIVE ONE
27 MILLION ONE HUNDRED THOUSAND DOLLARS PER YEAR IN INDIVIDUAL

1 INCOME AND SALES TAXES.

2 (VII) CREATING A NEW PROGRAM TO ATTRACT DATA CENTER
3 COMPANIES TO ESTABLISH OPERATIONS AND BRING CLEAN TECHNOLOGY
4 JOBS TO COLORADO WILL FURTHER THE PUBLIC HEALTH, SAFETY, AND
5 WELFARE OF THE STATE.

6 (b) (I) IN ACCORDANCE WITH SECTION 39-21-304 (1), WHICH
7 REQUIRES EACH BILL THAT CREATES A NEW TAX EXPENDITURE TO INCLUDE
8 A TAX PREFERENCE PERFORMANCE STATEMENT AS PART OF A STATUTORY
9 LEGISLATIVE DECLARATION, THE GENERAL ASSEMBLY HEREBY FINDS AND
10 DECLARES THAT THE PURPOSES OF THE TAX EXPENDITURE CREATED IN
11 THIS SECTION ARE TO:

12 (A) INDUCE CERTAIN DESIGNATED BEHAVIOR BY TAXPAYERS,
13 SPECIFICALLY TO ATTRACT DATA CENTER OPERATIONS TO COLORADO AND
14 TO ENCOURAGE THE CONSTRUCTION AND OPERATION OF ELIGIBLE DATA
15 CENTERS IN THE STATE; AND

16 (B) PROVIDE TAX RELIEF FOR DATA CENTER BUSINESSES AND DATA
17 CENTER OPERATORS THAT CONSTRUCT AND OPERATE ELIGIBLE DATA
18 CENTERS IN COLORADO.

19 (II) THE GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL
20 MEASURE THE EFFECTIVENESS OF THE SALES AND USE TAX REFUND
21 ALLOWED IN THIS SECTION IN ACHIEVING THE PURPOSES SPECIFIED IN
22 SUBSECTION (1)(b)(I) OF THIS SECTION BASED ON THE NUMBER OF DATA
23 CENTERS FOR WHICH CONSTRUCTION BEGINS EACH YEAR, THE NUMBER OF
24 EXISTING DATA CENTERS THAT TAKE STEPS TO BECOME ELIGIBLE DATA
25 CENTERS EACH YEAR, AND THE TOTAL AMOUNT OF SALES AND USE TAX
26 THAT IS REFUNDED TO TAXPAYERS PURSUANT TO THIS SECTION EACH
27 YEAR. THE OFFICE AND THE DEPARTMENT SHALL PROVIDE THE STATE

1 AUDITOR WITH AVAILABLE INFORMATION THAT WILL ASSIST THE STATE
2 AUDITOR'S MEASUREMENT.

3 (2) (a) "BUSINESS" MEANS A PERSON, FIRM, OR ENTITY THAT
4 IMPROVES RAW LAND OR REDEVELOPS EXISTING SITES.

5 (b) "CONSTRUCTION MATERIALS" MEANS ANY MATERIALS USED IN
6 THE CONSTRUCTION OF A DATA CENTER IN THE STATE.

7 (c) "DATA CENTER" MEANS A FACILITY OR CAMPUS OF NETWORKED
8 COMPUTER SERVERS AND SYSTEMS TYPICALLY USED BY ORGANIZATIONS
9 FOR THE REMOTE STORAGE, PROCESSING, AND DISSEMINATION OF LARGE
10 AMOUNTS OF DATA.

11 (d) "DATA CENTER EQUIPMENT" MEANS COMPUTER EQUIPMENT OR
12 SOFTWARE PURCHASED OR LEASED FOR THE PROCESSING, STORAGE,
13 RETRIEVAL, OR COMMUNICATION OF DATA. "DATA CENTER EQUIPMENT"
14 INCLUDES THE FOLLOWING:

15 (I) SERVERS, ROUTERS, CONNECTIONS, MONITORING AND SECURITY
16 SYSTEMS, AND OTHER ENABLING MACHINERY, EQUIPMENT, AND
17 HARDWARE, REGARDLESS OF WHETHER THE PROPERTY IS AFFIXED TO OR
18 INCORPORATED INTO REAL PROPERTY;

19 (II) EQUIPMENT THAT IS USED IN THE OPERATION OF COMPUTER
20 EQUIPMENT OR SOFTWARE THAT IS USED FOR THE BENEFIT OF THE DATA
21 CENTER, INCLUDING COMPONENT PARTS, INSTALLATION REFRESHMENTS,
22 REPLACEMENTS, AND UPGRADES, REGARDLESS OF WHETHER THE
23 PROPERTY IS AFFIXED TO OR INCORPORATED INTO REAL PROPERTY;

24 (III) ALL EQUIPMENT NECESSARY FOR THE TRANSFORMATION,
25 GENERATION, DISTRIBUTION, OR MANAGEMENT OF ELECTRICITY THAT IS
26 REQUIRED TO OPERATE COMPUTER SERVER EQUIPMENT, INCLUDING
27 SUBSTATIONS, GENERATORS, UNINTERRUPTIBLE ENERGY EQUIPMENT,

1 SUPPLIES, CONDUIT, FUEL PIPING AND STORAGE, CABLING, DUCT BANKS,
2 SWITCHES, SWITCHBOARDS, BATTERIES, TESTING EQUIPMENT, AND BACKUP
3 GENERATORS;

4 (IV) ALL EQUIPMENT NECESSARY TO COOL AND MAINTAIN A
5 CONTROLLED ENVIRONMENT FOR THE OPERATION OF COMPUTER SERVERS
6 AND OTHER COMPONENTS OF THE DATA CENTER, INCLUDING CHILLERS,
7 MECHANICAL EQUIPMENT, REFRIGERANT PIPING, FUEL PIPING AND
8 STORAGE, ADIABATIC AND FREE COOLING SYSTEMS, COOLING TOWERS,
9 WATER SOFTENERS, AIR HANDLING UNITS, INDOOR DIRECT EXCHANGE
10 UNITS, FANS, DUCTING, AND FILTERS;

11 (V) ALL WATER CONSERVATION SYSTEMS, INCLUDING FACILITIES
12 OR MECHANISMS, THAT ARE DESIGNED TO COLLECT, CONSERVE, AND
13 REUSE WATER;

14 (VI) ALL COMPUTER SERVER EQUIPMENT, CHASSIS, NETWORKING
15 EQUIPMENT, SWITCHES, RACKS, FIBER OPTIC AND COPPER CABLING, TRAYS,
16 AND CONDUIT;

17 (VII) ALL CONDUIT, DUCTING, AND FIBER OPTIC AND COPPER
18 CABLING THAT MAY BE LOCATED OUTSIDE THE DATA CENTER, OR THAT IS
19 DIRECTLY RELATED TO CONNECTING ONE OR MORE DATA CENTERS
20 TOGETHER;

21 (VIII) ALL MONITORING EQUIPMENT AND SECURITY SYSTEMS;

22 (IX) MODULAR DATA CENTERS AND PREASSEMBLED COMPONENTS
23 OF ANY ITEM DESCRIBED IN THIS SUBSECTION (2)(d), INCLUDING
24 COMPONENTS USED IN THE MANUFACTURING OF MODULAR DATA CENTERS;

25 (X) ALL SOFTWARE;

26 (XI) OTHER TANGIBLE AND INTANGIBLE PERSONAL PROPERTY
27 THAT IS ESSENTIAL TO THE OPERATIONS OF A DATA CENTER; AND

1 (XII) ALL ELECTRICITY USED BY QUALIFIED DATA CENTER
2 EQUIPMENT, EXCLUDING ELECTRICITY USED IN THE ADMINISTRATION OF
3 THE FACILITY.

4 (e) "DEPARTMENT" MEANS THE DEPARTMENT OF REVENUE.

5 (f) "ELIGIBLE DATA CENTER" MEANS A DATA CENTER THAT:

6 (I) CREATES AT LEAST TEN NEW FULL-TIME EQUIVALENT JOBS, AS
7 DEFINED IN SECTION 24-75-112 (1)(d); EXCEPT THAT SUCH JOBS ARE NOT
8 REQUIRED TO BE FILLED BY ELECTED STATE OFFICIALS OR BY STATE
9 EMPLOYEES;

10 (II) BRINGS AT LEAST TWENTY-FIVE MILLION DOLLARS OF NEW
11 INVESTMENT TO THE STATE; AND

12 (III) WILL REACH A MINIMUM OF THREE MEGAWATTS OF NEW
13 ELECTRIC LOAD FOR THE PROJECT.

14 (g) "OFFICE" MEANS THE COLORADO OFFICE OF ECONOMIC
15 DEVELOPMENT CREATED IN SECTION 24-48.5-101.

16 (h) "OPERATOR" MEANS A PERSON, FIRM, TENANT OF A DATA
17 CENTER, OR ENTITY THAT INSTALLS, OPERATES, AND MAINTAINS DATA
18 CENTERS EITHER FOR USE IN A BUSINESS OWNED BY THE SAME PERSON,
19 FIRM, OR ENTITY, OR FOR THE PURPOSE OF SELLING OR LEASING DATA
20 STORAGE AND COMPUTING SERVICES TO OTHER PERSONS, FIRMS, OR
21 ENTITIES.

22 (i) "TAXPAYER" MEANS A DATA CENTER BUSINESS OR A DATA
23 CENTER OPERATOR THAT CONSTRUCTS OR OPERATES OR THAT PLANS TO
24 CONSTRUCT OR OPERATE A DATA CENTER IN THE STATE THAT WILL
25 SATISFY THE CRITERIA TO BE AN ELIGIBLE DATA CENTER. A "TAXPAYER"
26 IS NOT REQUIRED TO OWN OR LEASE THE LAND ON WHICH A DATA CENTER
27 IS LOCATED AND IS NOT REQUIRED TO BE RESPONSIBLE FOR PAYING REAL

1 OR PERSONAL PROPERTY TAXES IN CONNECTION WITH THE DATA CENTER.

2 (3) FOR THE STATE FISCAL YEAR BEGINNING JULY 1, 2025, AND
3 FOR EACH STATE FISCAL YEAR THEREAFTER THROUGH THE STATE FISCAL
4 YEAR BEGINNING JULY 1, 2034, A TAXPAYER IS ALLOWED TO CLAIM A
5 REFUND OF ALL STATE SALES AND USE TAX THAT THE TAXPAYER PAID
6 PURSUANT TO PARTS 1 AND 2 OF ARTICLE 26 OF TITLE 39, FOR
7 CONSTRUCTION MATERIALS OR DATA CENTER EQUIPMENT THAT IS FOR THE
8 CONSTRUCTION OR OPERATION OF AN ELIGIBLE DATA CENTER SO LONG AS
9 THE TAXPAYER OBTAINS CERTIFICATION FROM THE OFFICE PURSUANT TO
10 SUBSECTION (6) OF THIS SECTION STATING THAT THE DATA CENTER IS AN
11 ELIGIBLE DATA CENTER AND THAT THE TAXPAYER MAY CLAIM A REFUND
12 OF STATE SALES AND USE TAX PURSUANT TO THIS SECTION. A TAXPAYER
13 MAY CLAIM A SALES AND USE TAX REFUND PURSUANT TO THIS SECTION
14 ONLY FOR CONSTRUCTION MATERIALS OR DATA CENTER EQUIPMENT THAT
15 IS SOLD, STORED, OR USED ON OR AFTER THE DATE THAT THE TAXPAYER
16 OBTAINS CERTIFICATION FROM THE OFFICE PURSUANT TO SUBSECTION (6)
17 OF THIS SECTION.

18 (4) THE OFFICE SHALL CREATE A PROGRAM WHEREBY A TAXPAYER
19 MAY OBTAIN CERTIFICATION, PURSUANT TO SUBSECTION (6) OF THIS
20 SECTION, TO CLAIM A REFUND OF STATE SALES AND USE TAX PURSUANT TO
21 THIS SECTION. THE OFFICE MAY REQUEST INFORMATION AS IT DEEMS
22 NECESSARY FROM ANY TAXPAYER WHO INTENDS TO OBTAIN
23 CERTIFICATION FOR A SALES AND USE TAX REFUND PURSUANT TO
24 SUBSECTION (6) OF THIS SECTION.

25 (5)(a) WHEN A TAXPAYER BELIEVES THAT THE DATA CENTER THAT
26 WILL BE THE BASIS FOR A SALES AND USE TAX REFUND CLAIM SATISFIES
27 THE CRITERIA TO BE AN ELIGIBLE DATA CENTER, THE TAXPAYER MAY

1 APPLY TO THE OFFICE, IN A FORM AND MANNER TO BE DETERMINED BY THE
2 OFFICE, FOR CERTIFICATION STATING THAT THE DATA CENTER IS AN
3 ELIGIBLE DATA CENTER AND THAT THE TAXPAYER MAY CLAIM A REFUND
4 OF STATE SALES AND USE TAX PAID ON CONSTRUCTION MATERIALS AND
5 DATA CENTER EQUIPMENT PURSUANT TO SUBSECTION (3) OF THIS SECTION.

6 (b) THE APPLICATION FOR THE CERTIFICATION MUST REQUIRE THE
7 TAXPAYER TO DEMONSTRATE TO THE OFFICE THAT THE DATA CENTER
8 THAT WILL BE THE BASIS OF THE STATE SALES AND USE REFUND CLAIM IS
9 AN ELIGIBLE DATA CENTER. THE OFFICE MAY REQUIRE THE TAXPAYER TO
10 SUBMIT ANY DOCUMENTATION OR PROOF THAT IT DEEMS NECESSARY TO
11 DETERMINE WHETHER A DATA CENTER SATISFIES THE CRITERIA TO BE AN
12 ELIGIBLE DATA CENTER.

13 (c) PRIOR TO ISSUING A CERTIFICATION PURSUANT TO SUBSECTION
14 (6) OF THIS SECTION, THE OFFICE SHALL CONSULT WITH THE COLORADO
15 ECONOMIC DEVELOPMENT COMMISSION CREATED IN SECTION 24-46-102
16 REGARDING WHETHER THE DATA CENTER SATISFIES THE CRITERIA TO BE
17 AN ELIGIBLE DATA CENTER.

18 (6) (a) IF, BASED ON THE INFORMATION PROVIDED TO THE OFFICE
19 PURSUANT TO SUBSECTION (5) OF THIS SECTION, THE OFFICE DETERMINES
20 THAT A DATA CENTER SATISFIES THE CRITERIA TO BE AN ELIGIBLE DATA
21 CENTER, THE OFFICE SHALL NOTIFY THE DEPARTMENT AND SHALL ISSUE A
22 CERTIFICATION TO THE TAXPAYER STATING THAT THE DATA CENTER IS AN
23 ELIGIBLE DATA CENTER AND THAT THE TAXPAYER MAY CLAIM A REFUND
24 OF THE STATE SALES AND USE TAX PAID ON CONSTRUCTION MATERIALS
25 AND DATA CENTER EQUIPMENT FOR THE ELIGIBLE DATA CENTER.

26 (b) IF THE OFFICE DETERMINES THAT A DATA CENTER IS AN
27 ELIGIBLE DATA CENTER, THE DATA CENTER RETAINS ITS STATUS AS AN

1 ELIGIBLE DATA CENTER FOR TEN YEARS FROM THE DATE OF THE
2 TAXPAYER'S FIRST INVESTMENT IN CONSTRUCTION MATERIALS OR DATA
3 CENTER EQUIPMENT FOR THE ELIGIBLE DATA CENTER.

4 (c) IF THE OFFICE DETERMINES THAT A DATA CENTER IS AN
5 ELIGIBLE DATA CENTER, THE DATA CENTER RETAINS THE STATUS OF AN
6 ELIGIBLE DATA CENTER REGARDLESS OF ANY DIRECT OR INDIRECT FUTURE
7 TRANSFER, SALE, OR DISPOSITION OF THE DATA CENTER.

8 (7) (a) TO CLAIM THE REFUND ALLOWED BY THIS SECTION, A
9 TAXPAYER MUST SUBMIT A REFUND APPLICATION AND A COPY OF ITS
10 CERTIFICATION FROM THE OFFICE TO THE DEPARTMENT IN A FORM AND
11 MANNER DETERMINED BY THE DEPARTMENT. THE TAXPAYER MUST SUBMIT
12 AN APPLICATION PURSUANT TO THIS SUBSECTION (7) DURING THE STATE
13 FISCAL YEAR FOLLOWING THE STATE FISCAL YEAR FOR WHICH THE REFUND
14 IS CLAIMED.

15 (b) THE APPLICATION REQUIRED BY SUBSECTION (7)(a) OF THIS
16 SECTION MUST REQUIRE THAT THE TAXPAYER SUBMIT THE FOLLOWING TO
17 THE DEPARTMENT:

18 (I) PROOF OF THE STATE SALES AND USE TAX THAT WAS PAID ON
19 CONSTRUCTION MATERIALS OR DATA CENTER EQUIPMENT FOR WHICH A
20 REFUND IS CLAIMED;

21 (II) PROOF THAT THE CONSTRUCTION MATERIALS AND DATA
22 CENTER EQUIPMENT WERE USED FOR THE ELIGIBLE DATA CENTER; AND

23 (III) ANY ADDITIONAL INFORMATION THAT THE DEPARTMENT
24 REQUIRES, WHICH MAY INCLUDE, WITHOUT LIMITATION, A DETAILED LIST
25 OF ALL EXPENDITURES THAT SUPPORT A CLAIM FOR A REFUND, THE NAME
26 AND ADDRESSES OF AN INDIVIDUAL WHO MAINTAINS RECORDS OF SUCH
27 EXPENDITURES, AND A STATEMENT THAT THE TAXPAYER AGREES TO

1 FURNISH RECORDS OF ALL SUCH EXPENDITURES TO THE OFFICE UPON
2 REQUEST.

3 (c) THE DEPARTMENT SHALL NOT APPROVE A TAXPAYER'S
4 APPLICATION FOR A REFUND OF STATE SALES AND USE TAX PAID UNLESS
5 THE TAXPAYER HAS COMPLIED WITH THIS SUBSECTION (7).

6 (d) THE DEPARTMENT SHALL PROMULGATE RULES FOR THE
7 IMPLEMENTATION OF THIS SUBSECTION (7).

8 (8) ONCE GRANTED, A TAXPAYER MAY ASSIGN A CERTIFICATION
9 ISSUED BY THE OFFICE PURSUANT TO SUBSECTION (6) OF THIS SECTION TO
10 A LENDER, EQUITY INVESTOR, OR OTHER PROVIDER OF FINANCING OR TO A
11 SUCCESSOR OPERATOR.

12 (9) NOTWITHSTANDING THE REQUIREMENT OF SECTION 24-1-136
13 (11)(a), ON OR BEFORE JANUARY 1 OF THE YEAR FOLLOWING THE FIRST
14 STATE FISCAL YEAR IN WHICH THE OFFICE ISSUES A CERTIFICATION
15 PURSUANT TO SUBSECTION (6) OF THIS SECTION, AND EVERY JANUARY 1
16 THEREAFTER, THE OFFICE AND THE DEPARTMENT SHALL PREPARE A
17 REPORT TO BE SUBMITTED BY THE OFFICE TO THE FINANCE COMMITTEES OF
18 THE HOUSE OF REPRESENTATIVES AND SENATE. THE REPORT SHALL
19 PRESENT INFORMATION ON THE DATA CENTERS THAT THE OFFICE
20 DETERMINED ARE ELIGIBLE DATA CENTERS AND ALL SALES AND USE TAX
21 REFUNDS ALLOWED PURSUANT TO THIS SECTION IN THE PRIOR STATE
22 FISCAL YEAR.

23 (10) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2039.

24 **SECTION 2. 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.