

**Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 24-0546.01 Alison Killen x4350

HOUSE BILL 24-1349

HOUSE SPONSORSHIP

Duran, Lindstedt

SENATE SPONSORSHIP

(None),

House Committees

Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING A NEW EXCISE TAX RELATED TO FIREARMS, AND, IN**
102 **CONNECTION THEREWITH, CONTINGENT ON VOTER APPROVAL**
103 **OF THE NEW TAX AND THE RETENTION BY THE STATE OF ALL**
104 **REVENUE GENERATED BY THE NEW TAX AT THE 2024 GENERAL**
105 **ELECTION, LEVYING AN EXCISE TAX ON THE NET TAXABLE SALES**
106 **OF GUN DEALERS, GUN MANUFACTURERS, AND AMMUNITION**
107 **VENDORS FROM THE RETAIL SALE IN THIS STATE OF ANY**
108 **FIREARM, FIREARM PRECURSOR PART, OR AMMUNITION AND**
109 **REQUIRING THE EXCISE TAX REVENUE TO BE SPENT FOR MENTAL**
110 **HEALTH SERVICES, INCLUDING FOR AT-RISK YOUTH, SCHOOL**
111 **SAFETY AND GUN VIOLENCE PREVENTION, AND SUPPORT**
112 **SERVICES FOR VICTIMS OF DOMESTIC VIOLENCE AND OTHER**
113 **VIOLENT CRIMES.**

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.

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>.)

Subject to voter approval at the November 2024 general election, beginning April 1, 2025, the bill levies an excise tax on firearms dealers, firearms manufacturers, and ammunition vendors at the rate of 11% of the gross taxable sales from the retail sale of any firearm, firearm precursor part, or ammunition in this state and allows the state to collect and spend all revenue generated by the tax notwithstanding any limitations in section 20 of article X of the state constitution or any other provision of law. Such retail sales to peace officers and law enforcement agencies are exempt from the excise tax. In addition, such retail sales made during any month are exempt from the excise tax if the total amount of gross taxable sales made by the firearms dealer, firearms manufacturer, or ammunition vendor during the month are less than \$2,000.

Excise tax. Every firearms dealer, firearms manufacturer, and ammunition vendor engaged in the retail sale of firearms, firearm precursor parts, or ammunition in this state is required to file a return and remit the excise tax due on a monthly basis, provide specified information to the department of revenue (department) in the return, and maintain specified records that must be available for inspection by the department.

Allocation of tax revenue. The bill requires all money received and collected in payment of the excise tax to be transmitted for ultimate deposit in the firearms and ammunition excise tax cash fund (fund) created in the bill. All such money and any fund investment earnings must then be transferred as follows:

- The first \$45 million in the first fiscal year and that amount as adjusted for inflation or deflation in each fiscal year thereafter must be transferred to the Colorado crime victim services fund (victim services fund) in the division of criminal justice (division) of the department of public safety for crime victim services grants;
- The next \$5 million in each fiscal year must be transferred to the victims and witnesses assistance and law enforcement fund for local judicial districts;
- The next \$5 million in each fiscal year must be transferred to the victim services fund for mass tragedy response and prevention programs; except that any money that is transferred but not spent or encumbered for that purpose in

a given fiscal year may be used by the division for additional crime victim services grants;

- The next \$4 million in each fiscal year must be transferred to the wildlife cash fund in the division of parks and wildlife of the department of natural resources for administration and enforcement of wildlife laws against the illegal use of firearms;
- The next \$2 million in each fiscal year must be transferred to the wildlife cash fund for programs to support shooting and shooting range safety; and
- Any remaining money in each fiscal year must be transferred to the victim services fund for crime victim services grants.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** article 37 to title
3 39 as follows:

4 **ARTICLE 37**

5 **Firearms and Ammunition Excise Tax**

6 **PART 1**

7 **FIREARMS AND AMMUNITION EXCISE TAX**

8 **39-37-101. Short title.** THE SHORT TITLE OF THIS ACT IS THE
9 "CRIME VICTIM AND SURVIVOR SERVICES FUNDING SECURITY ACT".

10 **39-37-102. Legislative declaration.** (1) THE GENERAL ASSEMBLY
11 FINDS AND DECLARES THAT:

12 (a) COLORADO NEEDS CONSISTENT AND RELIABLE FUNDING FROM
13 THE STATE TO SUSTAIN THE SERVICES CRIME VICTIMS DEPEND ON,
14 INCLUDING WRAPAROUND SERVICES, HOUSING ASSISTANCE, LEGAL
15 ADVOCACY, EMERGENCY SHELTER, LONG-TERM SAFE HOUSING, CASE
16 MANAGEMENT, ON-SITE CRISIS RESPONSE, EMERGENCY FINANCIAL
17 ASSISTANCE, COUNSELING, AND MORE;

18 (b) INCONSISTENT AND FLUCTUATING FUNDING HURTS VICTIM AND

1 SURVIVOR SERVICE PROVIDERS ALIKE. MANY AGENCIES ARE ALREADY
2 WORKING BEYOND THEIR MEANS TO ATTEMPT TO MEET THE GROWING
3 NEEDS OF VICTIMS AND SURVIVORS IN THEIR COMMUNITIES.

4 (c) OVER THE LAST SEVERAL YEARS, AGENCIES HAVE MADE THE
5 DIFFICULT DECISION TO DOWNSIZE DUE TO A LACK OF FUNDING WHILE, AT
6 THE SAME TIME, MORE VICTIMS AND SURVIVORS ARE SEEKING EXISTING
7 SERVICES AND MORE COMPLEX LEVELS OF SERVICES;

8 (d) ACCESS TO A FIREARM MAKES IT FIVE TIMES MORE LIKELY
9 THAT A WOMAN WILL DIE AT THE HANDS OF AN INTIMATE PARTNER. EVERY
10 MONTH, SEVENTY WOMEN NATIONWIDE, ON AVERAGE, ARE SHOT AND
11 KILLED BY AN INTIMATE PARTNER. OVER THIRTEEN PERCENT OF WOMEN
12 IN AMERICA ALIVE TODAY, AROUND TWENTY MILLION WOMEN, HAVE BEEN
13 THREATENED BY AN INTIMATE PARTNER USING A FIREARM. IN THE UNITED
14 STATES, BETWEEN 2014 AND 2019, SIXTY PERCENT OF MASS SHOOTING
15 EVENTS WERE FOUND TO BE DOMESTIC VIOLENCE ATTACKS OR TO HAVE
16 BEEN PERPETRATED BY THOSE WITH A HISTORY OF DOMESTIC VIOLENCE.

17 (e) FIREARMS, FIREARM PRECURSOR PARTS, AND AMMUNITION
18 SOLD BY FIREARMS DEALERS, FIREARMS MANUFACTURERS, AND
19 AMMUNITION VENDORS CONTRIBUTE TO GUN VIOLENCE AND ITS BROADER
20 SOCIETAL HARMS. GUN DEALERS, FOR EXAMPLE, ARE THE LEADING
21 SOURCE OF FIREARMS TRAFFICKED TO ILLEGAL MARKETS, OFTEN THROUGH
22 STRAW PURCHASES AS WELL AS NEGLIGENT LOSSES.

23 (f) THE EXCISE TAX ON THE NET TAXABLE SALES OF FIREARMS
24 DEALERS, FIREARMS MANUFACTURERS, AND AMMUNITION VENDORS FOR
25 RETAIL SALES IN THIS STATE IS ANALOGOUS TO LONGSTANDING FEDERAL
26 LAW, WHICH HAS, SINCE 1919, PLACED A TEN TO ELEVEN PERCENT EXCISE
27 TAX ON THE SALE OF FIREARMS AND AMMUNITION BY MANUFACTURERS,

1 PRODUCERS, AND IMPORTERS;

2 (g) REVENUE FROM THIS FEDERAL EXCISE TAX HAS BEEN USED,
3 SINCE PASSAGE OF THE FEDERAL "PITTMAN-ROBERTSON WILDLIFE
4 RESTORATION ACT" IN 1937, TO FUND WILDLIFE CONSERVATION EFFORTS
5 THAT REMEDIATE THE EFFECTS THAT FIREARMS AND AMMUNITION HAVE
6 ON WILDLIFE POPULATIONS THROUGH GAME HUNTING, PARTICULARLY
7 THROUGH GRANTS TO STATE WILDLIFE AGENCIES, AND FOR
8 CONSERVATION-RELATED RESEARCH, TECHNICAL ASSISTANCE, HUNTER
9 SAFETY, AND HUNTER DEVELOPMENT;

10 (h) THIS ACT WILL SIMILARLY PLACE A REASONABLE STATE
11 SURTAX ON FIREARM AND AMMUNITION INDUSTRY MEMBERS THAT PROFIT
12 FROM THE SALE OF FIREARMS AND AMMUNITION IN ORDER TO GENERATE
13 SUSTAINED REVENUE FOR PROGRAMS THAT ARE DESIGNED TO REMEDIATE
14 THE DEVASTATING IMPACTS OF THESE PRODUCTS ON FAMILIES AND
15 COMMUNITIES ACROSS THIS STATE;

16 (i) THE NATIONAL RIFLE ASSOCIATION HAS REFERRED TO THE
17 FEDERAL EXCISE TAX SCHEME AS A "LEGISLATIVE MODEL" AND "FRIEND OF
18 THE HUNTER", AND THE NATIONAL SHOOTING SPORTS
19 FOUNDATION(NSSF) HAS REPEATEDLY EMPHASIZED THE IMPORTANCE OF
20 THIS FEDERAL FIREARM INDUSTRY EXCISE TAX AS WELL. A 2019
21 STATEMENT BY AN NSSF DIRECTOR PUBLISHED ON THE NSSF'S WEBSITE
22 EMPHASIZED THAT "AN OFTEN OVERLOOKED, AND CERTAINLY
23 UNDER-COMMUNICATED BENEFIT, IS THE IMPACT THAT EXCISE TAXES ON
24 FIREARMS AND AMMUNITION HAVE ON CONSERVATION AND WILDLIFE
25 POPULATIONS", AND A SIMILAR 2018 STATEMENT FROM NSSF PRAISED
26 KEY PITTMAN AND WILLIS ROBERTSON, THE LEGISLATORS WHO
27 SPONSORED THE FEDERAL EXCISE TAX, AS "HEROES OF THE MOST

1 SUCCESSFUL CONSERVATION MODEL IN THE WORLD".

2 (j) THIS ACT WILL SIMILARLY PROVIDE DEDICATED REVENUE TO
3 SUSTAIN AND EXPAND EFFECTIVE GUN VIOLENCE PREVENTION, HEALING,
4 AND RECOVERY PROGRAMS FOR FAMILIES AND COMMUNITIES ACROSS
5 COLORADO, PARTICULARLY IN COMMUNITIES MOST DISPROPORTIONATELY
6 IMPACTED BY GUN VIOLENCE;

7 (k) THIS ACT IS CONSISTENT WITH OUR NATION'S LONGSTANDING
8 HISTORICAL TRADITION OF REGULATING COMMERCIAL FIREARM AND
9 AMMUNITION MANUFACTURERS AND SELLERS, INCLUDING THROUGH
10 FEDERAL, STATE, AND LOCAL TAXES ON THIS COMMERCIAL ACTIVITY. AN
11 1883 CALIFORNIA STATUTE, FOR INSTANCE, DIRECTED LOCAL
12 GOVERNMENTS TO PROVIDE FOR PAYMENT OF ALL REVENUE ASSESSED AS
13 A TAX, OR RECEIVED FOR LICENSES, ON THE STORAGE, MANUFACTURE, AND
14 SALE OF GUNPOWDER AND RELATED PRODUCTS IN ORDER TO FUND A
15 "FIREMAN'S CHARITABLE FUND" TO SUPPORT PROFESSIONALS TASKED
16 WITH REMEDIATING THE COLLATERAL IMPACTS OF FIREARM-RELATED
17 COMMERCIAL ACTIVITY ON PUBLIC SAFETY THROUGH FIRE RISK.

18 (l) IN THE HISTORICAL RECORD, OTHER STATES, INCLUDING
19 MISSISSIPPI (1844), NORTH CAROLINA (1857), GEORGIA (1866),
20 ALABAMA (1867), THE THEN-INDEPENDENT KINGDOM OF HAWAII (1870),
21 NEBRASKA (1895), FLORIDA (1898), WYOMING (1899), AND VIRGINIA
22 (1926), HAVE SIMILARLY ENACTED LONGSTANDING COMMERCIAL,
23 OCCUPATIONAL, OR OTHER TAXES ON THOSE SELLING, PURCHASING, OR
24 POSSESSING FIREARMS AND OTHER DANGEROUS WEAPONS;

25 (m) THE TAX SPECIFIED IN THIS ACT IS A MODEST AND REASONABLE
26 TAX ON A PROFITABLE INDUSTRY WHOSE LAWFUL AND LEGITIMATE
27 BUSINESS ACTIVITY IMPOSES SUBSTANTIAL HARMFUL EXTERNALITIES ON

1 COLORADO'S FAMILIES, COMMUNITIES, AND TAXPAYERS. THE MODEST TAX
2 PROPOSED IN THIS ACT MIRRORS THE FEDERAL EXCISE TAX ON FIREARM
3 AND AMMUNITION INDUSTRY PARTICIPANTS AND IS SIMILARLY DEDICATED
4 TO FUNDING PROGRAMS TO REMEDIATE THE DIRECT COSTS TO INDIVIDUALS
5 AND COMMUNITIES RESULTING FROM THE ACCESSIBILITY OF FIREARMS AND
6 AMMUNITION IN THIS STATE.

7 **39-37-103. Definitions.** AS USED IN THIS ARTICLE 37, UNLESS THE
8 CONTEXT OTHERWISE REQUIRES:

9 (1) "AMMUNITION" MEANS AMMUNITION OR CARTRIDGE CASES,
10 PRIMERS, BULLETS, OR PROPELLANT POWDER DESIGNED FOR USE IN ANY
11 FIREARM.

12 (2) "AMMUNITION VENDOR" MEANS ANY PERSON WHO ENGAGES IN
13 ANY RETAIL SALE OF AMMUNITION TO A CONSUMER IN THIS STATE.

14 (3) "DOING BUSINESS IN THIS STATE" MEANS THE SELLING,
15 LEASING, OR DELIVERING IN THIS STATE, OR ANY ACTIVITY IN THIS STATE
16 IN CONNECTION WITH THE SELLING, LEASING, OR DELIVERING IN THIS
17 STATE, OF FIREARMS, FIREARMS PRECURSOR PARTS, OR AMMUNITION BY
18 A RETAIL SALE, FOR USE, STORAGE, DISTRIBUTION, OR CONSUMPTION,
19 WITHIN THIS STATE BY A PERSON WHO:

20 (a) MAINTAINS WITHIN THIS STATE, DIRECTLY OR INDIRECTLY OR
21 BY A SUBSIDIARY, AN OFFICE, DISTRIBUTION FACILITY, SALESROOM,
22 WAREHOUSE, STORAGE PLACE, OR OTHER SIMILAR PLACE OF BUSINESS,
23 INCLUDING THE EMPLOYMENT OF A RESIDENT OF THIS STATE WHO WORKS
24 FROM A HOME OFFICE IN THIS STATE; OR

25 (b) SOLICITS, EITHER BY DIRECT REPRESENTATIVES, INDIRECT
26 REPRESENTATIVES, MANUFACTURERS' AGENTS, BY DISTRIBUTION OF
27 CATALOGUES OR OTHER ADVERTISING, BY USE OF ANY COMMUNICATION

1 MEDIA, OR BY USE OF THE NEWSPAPER, RADIO, OR TELEVISION
2 ADVERTISING MEDIA, OR BY ANY OTHER MEANS WHATSOEVER, BUSINESS
3 FROM PERSONS RESIDING IN THIS STATE AND BY REASON THEREOF
4 RECEIVING ORDERS FROM, OR SELLING OR LEASING TANGIBLE PERSONAL
5 PROPERTY TO, SUCH PERSONS RESIDING IN THIS STATE FOR USE,
6 CONSUMPTION, DISTRIBUTION, AND STORAGE, FOR USE OR CONSUMPTION
7 IN THIS STATE DURING THE FOLLOWING PERIODS:

8 (I) AN ENTIRE CALENDAR YEAR IF, IN THE PREVIOUS CALENDAR
9 YEAR, THE PERSON HAS MADE RETAIL SALES OF FIREARMS, FIREARMS
10 PRECURSOR PARTS, OR AMMUNITION IN THIS STATE EXCEEDING TWENTY
11 THOUSAND DOLLARS; OR

12 (II) ON AND AFTER THE FIRST DAY OF THE MONTH AFTER THE
13 NINETIETH DAY AFTER THE PERSON HAS MADE RETAIL SALES OF FIREARMS,
14 FIREARMS PRECURSOR PARTS, OR AMMUNITION IN THIS STATE IN THE
15 CURRENT CALENDAR YEAR THAT EXCEED TWENTY THOUSAND DOLLARS.

16 (4) "EXCISE TAX" OR "TAX" MEANS THE TAX IMPOSED BY THIS
17 ARTICLE 37.

18 (5) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF
19 THE DEPARTMENT OF REVENUE.

20 (6) "FIREARM" MEANS A FIREARM AS DEFINED IN SECTION
21 18-12-101 (1)(b.7) AND ANY INSTRUMENT OR DEVICE DESCRIBED IN
22 SECTION 18-1-901 (3)(h), 18-12-401 (1)(a), OR 18-12-506 (2).

23 (7) "FIREARM PRECURSOR PART" MEANS:

24 (a) AN UNFINISHED FRAME OR RECEIVER AS DEFINED IN SECTION
25 18-12-101 (1)(l);

26 (b) A FIRE CONTROL COMPONENT AS DEFINED IN SECTION
27 18-12-101 (1)(c.3);

1 (c) A DEVICE MARKETED OR SOLD TO THE PUBLIC THAT IS
2 DESIGNED OR ADAPTED TO BE INSERTED INTO, AFFIXED ONTO, OR USED IN
3 CONJUNCTION WITH A FIREARM IF THE DEVICE IS:

4 (I) REASONABLY DESIGNED OR INTENDED TO BE USED TO INCREASE
5 A FIREARM'S RATE OF FIRE, CONCEALABILITY, MAGAZINE CAPACITY, OR
6 DESTRUCTIVE CAPACITY; OR

7 (II) REASONABLY DESIGNED OR INTENDED TO BE USED TO
8 INCREASE A FIREARM'S STABILITY AND HANDLING WHEN THE FIREARM IS
9 REPEATEDLY FIRED; OR

10 (d) ANY MACHINE OR DEVICE THAT IS MARKETED OR SOLD TO THE
11 PUBLIC THAT IS REASONABLY DESIGNED OR INTENDED TO BE USED TO
12 MANUFACTURE OR PRODUCE A FIREARM.

13 (8) "FIREARMS DEALER" OR "GUN DEALER" MEANS ANY PERSON
14 WHO IS A FEDERALLY LICENSED FIREARMS DEALER AS DEFINED IN SECTION
15 18-12-101 (1)(b.4) OR A LICENSED GUN DEALER AS DEFINED IN SECTION
16 18-12-506 (6).

17 (9) "FIREARMS MANUFACTURER" OR "GUN MANUFACTURER"
18 MEANS ANY PERSON WHO IS LICENSED TO MANUFACTURE FIREARMS OR
19 AMMUNITION PURSUANT TO 18 U.S.C. SEC. 921 ET SEQ. AND WHO
20 ENGAGES IN ANY RETAIL SALE OF A FIREARM, FIREARM PRECURSOR PART,
21 OR AMMUNITION TO A CONSUMER IN THIS STATE.

22 (10) "FUND" MEANS THE FIREARMS AND AMMUNITION EXCISE TAX
23 CASH FUND CREATED IN SECTION 39-37-301 (1)(a).

24
25 (11)(a) "LAW ENFORCEMENT AGENCY" MEANS A DEPARTMENT OR
26 AGENCY OF THE STATE OR OF A COUNTY, CITY, CITY AND COUNTY, OR
27 TOWN WITHIN THE STATE THAT EMPLOYS AT LEAST ONE PEACE OFFICER

1 WHO IS AUTHORIZED TO CARRY A FIREARM WHILE ON DUTY.

2 (b) "LAW ENFORCEMENT AGENCY" INCLUDES A FEDERAL LAW
3 ENFORCEMENT AGENCY AND A TRIBAL LAW ENFORCEMENT AGENCY.

4 (12) "NET TAXABLE SALES" MEANS THE AGGREGATE PURCHASE
5 PRICE RECEIVED OR DUE IN MONEY, CREDITS, OR PROPERTY, OR OTHER
6 CONSIDERATION VALUED IN MONEY FROM ALL RETAIL SALES WITHIN THIS
7 STATE, AND EMBRACED WITHIN THE PROVISIONS OF THIS ARTICLE, LESS
8 DEDUCTIONS FOR:

9 (a) AN AMOUNT EQUAL TO THE PURCHASE PRICE OF PROPERTY
10 EXEMPT FROM TAX PURSUANT TO SECTION 39-37-105;

11 (b) AN AMOUNT EQUAL TO THE PURCHASE PRICE OF PROPERTY
12 RETURNED BY THE PURCHASER WHEN THE FULL SALE PRICE THEREOF IS
13 REFUNDED WHETHER IN CASH OR BY CREDIT; AND

14 (c) AN AMOUNT EQUAL TO THE PURCHASE PRICE OF PROPERTY
15 SOLD ON ACCOUNT FOUND TO BE WORTHLESS AND ACTUALLY CHARGED
16 OFF BY THE TAXPAYER FOR INCOME TAX PURPOSES, BUT IF ANY SUCH
17 ACCOUNTS ARE THEREAFTER COLLECTED BY THE TAXPAYER, A TAX SHALL
18 BE PAID UPON THE AMOUNTS COLLECTED.

19 (13) (a) "PEACE OFFICER" MEANS A CERTIFIED PEACE OFFICER
20 DESCRIBED IN SECTION 16-2.5-102.

21 (b) "PEACE OFFICER" INCLUDES A POLICE OFFICER OR CRIMINAL
22 INVESTIGATOR EMPLOYED BY A FEDERAL OR TRIBAL LAW ENFORCEMENT
23 AGENCY AND A QUALIFIED RETIRED LAW ENFORCEMENT OFFICER, AS
24 DEFINED IN 18 U.S.C. SEC. 926C (c).

25 (14) "PERSON" HAS THE SAME MEANING AS SET FORTH IN SECTION
26 39-26-102 (6.3).

27 (15) (a) "PURCHASE PRICE" MEANS THE AGGREGATE

1 CONSIDERATION VALUED IN MONEY PAID OR DELIVERED OR PROMISED TO
2 BE PAID OR DELIVERED BY THE USER OR CONSUMER IN CONSUMMATION OF
3 A SALE, EXCLUSIVE OF:

4 (I) THE EXCISE TAX;

5 (II) ANY DIRECT TAX IMPOSED BY THE FEDERAL GOVERNMENT;

6 (III) ANY SALES OR USE TAX IMPOSED BY THIS STATE OR BY ANY
7 POLITICAL SUBDIVISION THEREOF;

8 (IV) ANY RETAIL DELIVERY FEE AND ENTERPRISE RETAIL
9 DELIVERY FEES IMPOSED OR COLLECTED AS SPECIFIED IN SECTION
10 43-4-218;

11 (V) ANOTHER TAX OR FEE IMPOSED BY A GOVERNMENTAL ENTITY
12 THAT IS COLLECTED AT THE SAME TIME AS THE EXCISE TAX.

13 (b) FOR PURPOSES OF THIS ARTICLE 37, "PURCHASE PRICE"
14 INCLUDES THE FULL PURCHASE PRICE OF THE FIREARM, FIREARM
15 PRECURSOR PART, OR AMMUNITION SOLD AFTER MANUFACTURE OR AFTER
16 HAVING BEEN MADE TO ORDER AND INCLUDES THE FULL PURCHASE PRICE
17 FOR MATERIAL USED AND THE SERVICE PERFORMED IN CONNECTION
18 THEREWITH, AND THE PROFIT THEREON, INCLUDED IN THE PRICE CHARGED
19 TO THE USER OR CONSUMER.

20 (16) "RETAIL SALE" MEANS ALL SALES MADE WITHIN THIS STATE
21 EXCEPT WHOLESALE SALES.

22 (17) "SALE" MEANS THE ACQUISITION FOR ANY CONSIDERATION BY
23 ANY PERSON OF A FIREARM, FIREARM PRECURSOR PART, OR AMMUNITION
24 SUBJECT TO THE EXCISE TAX INCLUDING INSTALLMENT AND CREDIT SALES
25 AND THE EXCHANGE OF SUCH PROPERTY AS WELL AS THE SALE THEREOF
26 FOR MONEY AND EVERY SUCH TRANSACTION, CONDITIONAL OR
27 OTHERWISE, FOR A CONSIDERATION CONSTITUTING A SALE.

1 (18) "VENDOR" MEANS A PERSON DOING BUSINESS IN THIS STATE
2 AS AN AMMUNITION VENDOR, FIREARMS DEALER, OR A FIREARMS
3 MANUFACTURER OR ANY COMBINATION THEREOF.

4 (19) "WHOLESALER" MEANS A PERSON DOING A REGULARLY
5 ORGANIZED WHOLESALE OR JOBBING BUSINESS AND KNOWN TO THE TRADE
6 AS SUCH AND SELLING TO RETAIL MERCHANTS, JOBBERS, DEALERS, OR
7 OTHER WHOLESALERS, FOR THE PURPOSE OF RESALE.

8 (20) (a) "WHOLESALE SALE" MEANS:

9 (I) A SALE BY A WHOLESALER TO A VENDOR OR OTHER
10 WHOLESALER FOR RESALE; OR

11 (II) A SALE TO A PERSON ENGAGED IN THE BUSINESS OF
12 MANUFACTURING, COMPOUNDING, OR FURNISHING FOR SALE, PROFIT, OR
13 USE ANY PROPERTY WHICH ENTERS INTO THE PROCESSING OF OR BECOMES
14 AN INGREDIENT OR COMPONENT PART OF THE PRODUCT WHICH IS
15 MANUFACTURED, COMPOUNDED, OR FURNISHED.

16 (b) "WHOLESALE SALE" DOES NOT INCLUDE A SALE BY A
17 WHOLESALER TO A USER OR CONSUMER NOT FOR RESALE.

18 **39-37-104. Firearms, firearm precursor parts, and**
19 **ammunition - excise tax levied upon gross taxable sales - tax rate.**

20 (1) ON AND AFTER APRIL 1, 2025, THERE IS LEVIED AN EXCISE TAX UPON
21 EVERY VENDOR AT THE RATE OF NINE PERCENT OF THE GROSS TAXABLE
22 SALES FROM THE RETAIL SALE IN THIS STATE OF ANY FIREARM, FIREARM
23 PRECURSOR PART, OR AMMUNITION. EVERY VENDOR SHALL PAY THE TAX
24 LEVIED BY THIS SECTION TO THE EXECUTIVE DIRECTOR IN ACCORDANCE
25 WITH THE PROVISIONS OF THIS PART 1.

26 (2) THE DETERMINATION OF WHETHER A RETAIL SALE OCCURS IN
27 THIS STATE IS GOVERNED BY THE PROVISIONS SET FORTH IN SECTION

1 39-26-104 (3)(a)(I) TO (3)(a)(V) AND THE DEFINITIONS SET FORTH IN
2 SECTION 39-26-104 (3)(d)(I) AND (3)(d)(II).

3 **39-37-105. Exemption.** THE PURCHASE PRICE PAID IN
4 CONSUMMATION OF THE RETAIL SALE OF ANY FIREARM, FIREARM
5 PRECURSOR PART, OR AMMUNITION TO A PEACE OFFICER OR A LAW
6 ENFORCEMENT AGENCY EMPLOYING THAT PEACE OFFICER IS EXEMPT FROM
7 TAXATION PURSUANT TO THIS ARTICLE 37.

8 **39-37-106. Administration and enforcement - disputes and**
9 **refunds - rules.** (1) THE EXECUTIVE DIRECTOR SHALL ADMINISTER AND
10 ENFORCE THE TAX LEVIED PURSUANT TO THIS PART 1 IN ACCORDANCE
11 WITH THE PROVISIONS OF ARTICLE 21 OF THIS TITLE 39.

12 (2) THE BURDEN OF PROVING THAT A SALE OF A FIREARM, FIREARM
13 PRECURSOR PART, OR AMMUNITION IS NOT SUBJECT TO OR IS EXEMPT FROM
14 THE EXCISE TAX, OR THAT A VENDOR IS NOT DOING BUSINESS IN THIS
15 STATE, AS DEFINED IN SECTION 39-37-103 (3), OR IS OTHERWISE NOT
16 REQUIRED TO MAKE A RETURN OR TO REMIT TAX PURSUANT TO THIS
17 ARTICLE 37, SHALL BE ON THE VENDOR UNDER SUCH REASONABLE
18 REQUIREMENTS OF PROOF AS THE EXECUTIVE DIRECTOR MAY PRESCRIBE
19 BY RULE.

20 (3) (a) THE EXECUTIVE DIRECTOR SHALL MAKE A REFUND OR
21 ALLOW A CREDIT TO ANY VENDOR THAT ESTABLISHES THAT THE VENDOR
22 HAS OVERPAID THE TAX DUE PURSUANT TO THIS ARTICLE 37. NO SUCH
23 REFUND SHALL BE MADE OR CREDIT ALLOWED IN AN AMOUNT GREATER
24 THAN THE TAX PAID.

25 (b) THE VENDOR MUST FILE ANY CLAIM FOR REFUND OR CREDIT
26 UNDER THIS SECTION WITHIN THREE YEARS AFTER THE DUE DATE OF THE
27 RETURN SHOWING THE OVERPAYMENT. THE CLAIM MUST BE MADE ON

1 FORMS PRESCRIBED BY THE EXECUTIVE DIRECTOR AND MUST INCLUDE
2 SUCH PERTINENT DATA, INFORMATION, OR DOCUMENTATION AS THE
3 EXECUTIVE DIRECTOR MAY REQUIRE.

4 (c) UPON RECEIPT OF THE APPLICATION AND PROOF OF THE
5 MATTERS CONTAINED THEREIN, THE EXECUTIVE DIRECTOR SHALL GIVE
6 NOTICE TO THE VENDOR IN WRITING OF THE EXECUTIVE DIRECTOR'S
7 DECISION. AGGRIEVED VENDORS MAY PETITION THE EXECUTIVE DIRECTOR
8 FOR A HEARING ON THE CLAIM IN THE MANNER PROVIDED IN SECTION
9 39-21-104.

10 (4) THE EXECUTIVE DIRECTOR SHALL PROMULGATE RULES FOR THE
11 IMPLEMENTATION OF THIS PART 1.

12 **39-37-107. Registration required.** (1) (a) IT IS UNLAWFUL FOR
13 ANY PERSON TO ENGAGE IN THE BUSINESS OF AN AMMUNITION VENDOR, A
14 FIREARMS DEALER, OR A FIREARMS MANUFACTURER IN THIS STATE
15 WITHOUT FIRST HAVING REGISTERED AS A VENDOR WITH THE EXECUTIVE
16 DIRECTOR. A REGISTRATION APPLICATION PROPERLY FILED ON A FORM
17 PRESCRIBED BY THE EXECUTIVE DIRECTOR AND ACCEPTED BY THE
18 EXECUTIVE DIRECTOR IS VALID UNTIL DECEMBER 31 OF THE NEXT
19 ODD-NUMBERED YEAR FOLLOWING THE DATE OF REGISTRATION, UNLESS
20 SOONER CANCELLED OR REVOKED. A PERSON REGISTERING PURSUANT TO
21 THIS SUBSECTION (1) SHALL DISCLOSE THE NAME OF THE VENDOR AND THE
22 VENDOR'S BUSINESS LOCATION, INCLUDING THE STREET NUMBER OF THE
23 VENDOR'S BUSINESS LOCATION, AND ANY OTHER FACTS THE EXECUTIVE
24 DIRECTOR MAY REQUIRE.

25 (b) IT IS THE DUTY OF EVERY VENDOR ON OR BEFORE JANUARY 1
26 OF EACH EVEN-NUMBERED YEAR TO RENEW THE VENDOR'S REGISTRATION
27 IF THE VENDOR REMAINS IN RETAIL BUSINESS OR LIABLE TO ACCOUNT FOR

1 THE TAX LEVIED PURSUANT TO THIS ARTICLE 37.

2 (c) IF A VENDOR MAKES RETAIL SALES AT TWO OR MORE SEPARATE
3 PLACES OF BUSINESS IN THIS STATE, A SEPARATE REGISTRATION FOR EACH
4 PLACE OF BUSINESS IS REQUIRED.

5 (2) THE EXECUTIVE DIRECTOR, AFTER REASONABLE NOTICE AND
6 A HEARING, MAY REVOKE THE REGISTRATION OF ANY PERSON FOUND BY
7 THE EXECUTIVE DIRECTOR TO HAVE VIOLATED ANY PROVISION OF THIS
8 ARTICLE 37. ANY FINDING AND ORDER OF THE EXECUTIVE DIRECTOR
9 REVOKING THE REGISTRATION OF ANY VENDOR IS SUBJECT TO REVIEW BY
10 THE DISTRICT COURT OF THE DISTRICT WHERE THE BUSINESS OF THE
11 VENDOR IS CONDUCTED, UPON APPLICATION OF THE VENDOR. THE
12 PROCEDURE FOR REVIEW MUST BE, AS NEARLY AS POSSIBLE, THE SAME AS
13 PROVIDED FOR THE REVIEW OF FINDINGS AS PROVIDED BY PROCEEDINGS IN
14 THE NATURE OF CERTIORARI.

15 (3) (a) ANY VENDOR WHO MAKES RETAIL SALES SUBJECT TO THE
16 EXCISE TAX WITHOUT REGISTERING COMMITS A PETTY OFFENSE AND SHALL
17 BE PUNISHED ACCORDING TO SECTION 18-1.3-503.

18 (b) ANY VENDOR WHO MAKES RETAIL SALES SUBJECT TO THE
19 EXCISE TAX WITHOUT REGISTERING MAY ALSO BE SUBJECT TO A CIVIL
20 PENALTY OF FIFTY DOLLARS PER DAY UP TO A MAXIMUM PENALTY OF ONE
21 THOUSAND DOLLARS. THE EXECUTIVE DIRECTOR SHALL ASSESS THE
22 PENALTY IMPOSED BY THIS SUBSECTION (3)(b) IN THE SAME MANNER AS
23 THE TAXES, PENALTIES, AND INTEREST IMPOSED BY THIS ARTICLE 37. THE
24 EXECUTIVE DIRECTOR MAY WAIVE OR REDUCE THE PENALTY ASSESSED
25 PURSUANT TO THIS SUBSECTION (3)(b) IF THE VENDOR'S FAILURE TO
26 REGISTER IS DUE TO REASONABLE CAUSE AND NOT WILLFUL NEGLIGENCE OR
27 INTENT TO DEFRAUD.

1 **39-37-108. Books and records to be preserved.** (1) EVERY
2 VENDOR SHALL KEEP COMPLETE AND ACCURATE RECORDS NECESSARY FOR
3 THE DETERMINATION OF THE CORRECT TAX LIABILITY, INCLUDING
4 ITEMIZED INVOICES OF ALL RETAIL SALES OF ANY FIREARMS, FIREARM
5 PRECURSOR PARTS, OR AMMUNITION IN THIS STATE.

6 (2) A VENDOR SHALL PROVIDE A COPY OF THE RECORDS
7 REQUIRED TO BE KEPT PURSUANT TO SUBSECTION (1) OF THIS SECTION,
8 AND ANY OTHER RECORDS DEEMED NECESSARY BY THE EXECUTIVE
9 DIRECTOR FOR THE DETERMINATION OF THE CORRECT TAX LIABILITY TO
10 THE EXECUTIVE DIRECTOR, IF SO REQUESTED. THE EXECUTIVE DIRECTOR
11 MAY ESTABLISH THE ACCEPTABLE FORM OF SUCH RECORDS.

12 **39-37-109. Returns and remittance of tax - civil penalty.**

13 (1) EVERY VENDOR SHALL FILE A RETURN WITH THE EXECUTIVE
14 DIRECTOR EACH MONTH. THE RETURN, WHICH MUST BE UPON FORMS
15 PRESCRIBED AND FURNISHED BY THE EXECUTIVE DIRECTOR, MUST
16 CONTAIN THE NET TAXABLE SALES FROM THE RETAIL SALE IN THIS STATE
17 OF ANY FIREARM, FIREARM PRECURSOR PART, OR AMMUNITION BY THE
18 VENDOR DURING THE PRECEDING MONTH, THE TAX DUE THEREON, AND
19 ANY OTHER INFORMATION THAT THE EXECUTIVE DIRECTOR MAY
20 REASONABLY REQUIRE.

21 (2) EVERY VENDOR SHALL FILE THE RETURN REQUIRED BY
22 SUBSECTION (1) OF THIS SECTION WITH THE EXECUTIVE DIRECTOR BY THE
23 TWENTIETH DAY OF THE MONTH FOLLOWING THE MONTH REPORTED AND
24 WITH THE REPORT SHALL REMIT THE AMOUNT OF TAX DUE. THE VENDOR
25 SHALL FILE THE RETURN REQUIRED BY SUBSECTION (1) OF THIS SECTION
26 ELECTRONICALLY AND REMIT THE AMOUNT OF TAX DUE BY ELECTRONIC
27 FUNDS TRANSFER.

1 (3) THE EXECUTIVE DIRECTOR MAY EXTEND THE TIME FOR FILING
2 A RETURN AND REMITTING THE TAX DUE FOR GOOD CAUSE SHOWN OR
3 UNDER SUCH REASONABLE RULES AS THE EXECUTIVE DIRECTOR MAY
4 PROMULGATE.

5 (4) (a) IF A PERSON NEGLECTS OR REFUSES TO FILE A TIMELY
6 RETURN OR PAYMENT OF THE TAX, TO PAY OR CORRECTLY ACCOUNT FOR
7 ANY TAX AS REQUIRED BY THIS ARTICLE 37, OR TO KEEP COMPLETE AND
8 ACCURATE RECORDS, AS REQUIRED BY SECTION 39-37-109, THE
9 EXECUTIVE DIRECTOR SHALL MAKE AN ESTIMATE, BASED UPON THE
10 INFORMATION AVAILABLE, OF THE AMOUNT OF TAX DUE OR NOT
11 ACCOUNTED FOR OR INCORRECTLY ACCOUNTED FOR ON A RETURN FOR THE
12 PERIOD FOR WHICH THE VENDOR IS DELINQUENT. THE EXECUTIVE
13 DIRECTOR SHALL ADD TO THE ESTIMATED AMOUNT OF TAX DUE OR NOT
14 ACCOUNTED FOR OR INCORRECTLY ACCOUNTED FOR INTEREST, IF
15 APPLICABLE PURSUANT TO SECTION 39-21-110.5, AND A PENALTY EQUAL
16 TO THE GREATER OF:

17 (I) FIFTEEN DOLLARS; OR

18 (II) TEN PERCENT OF SUCH UNPAID, UNACCOUNTED, OR
19 INCORRECTLY ACCOUNTED FOR AMOUNT OF TAX, PLUS ONE-HALF PERCENT
20 PER MONTH FROM THE DATE WHEN DUE, NOT TO EXCEED EIGHTEEN
21 PERCENT IN THE AGGREGATE.

22 **39-37-110. Distribution of tax collected.** (1) EACH MONTH, THE
23 STATE TREASURER SHALL CREDIT THE MONEY COLLECTED FOR PAYMENT
24 OF THE TAX LEVIED PURSUANT TO THIS PART 1 TO THE OLD AGE PENSION
25 FUND CREATED IN SECTION 1 OF ARTICLE XXIV OF THE STATE
26 CONSTITUTION IN ACCORDANCE WITH SECTION 2 (a) AND (f) OF ARTICLE
27 XXIV OF THE STATE CONSTITUTION AND SHALL FURTHER TRANSFER AN

1 AMOUNT EQUAL TO THIS AMOUNT FROM THE OLD AGE PENSION FUND TO
2 THE GENERAL FUND IN ACCORDANCE WITH SECTION 7 (c) OF ARTICLE
3 XXIV OF THE STATE CONSTITUTION.

4 (2) EACH MONTH, THE STATE TREASURER SHALL TRANSFER AN
5 AMOUNT EQUAL TO THE AMOUNT OF MONEY COLLECTED FOR PAYMENT OF
6 THE TAX LEVIED PURSUANT TO THIS PART 1 FROM THE GENERAL FUND TO
7 THE FUND FOR DISTRIBUTION IN ACCORDANCE WITH SECTION 39-37-301
8 (2).

9 **39-37-111. Prohibited acts - penalties.** IT IS UNLAWFUL FOR ANY
10 VENDOR TO WILLFULLY MAKE ANY FALSE OR FRAUDULENT RETURN OR
11 FALSE STATEMENT ON ANY RETURN OR TO WILLFULLY EVADE THE
12 PAYMENT OF THE TAX, OR ANY PART OF THE TAX, LEVIED PURSUANT TO
13 THIS PART 1. ANY VENDOR WHO WILLFULLY VIOLATES ANY PROVISION
14 OF THIS PART 1 SHALL BE PUNISHED AS PROVIDED IN SECTION 39-21-118.

15 **39-37-112. Revenue and spending limitations.**
16 NOTWITHSTANDING ANY LIMITATIONS ON REVENUE, SPENDING, OR
17 APPROPRIATIONS CONTAINED IN SECTION 20 OF ARTICLE X OF THE STATE
18 CONSTITUTION OR ANY OTHER PROVISION OF LAW, ALL REVENUE
19 GENERATED BY THE EXCISE TAX LEVIED PURSUANT TO THIS PART 1 AS
20 APPROVED BY THE VOTERS AT THE STATEWIDE ELECTION IN NOVEMBER
21 2024, MAY BE COLLECTED AND SPENT AS A VOTER-APPROVED REVENUE
22 CHANGE AND SHALL NOT REQUIRE VOTER APPROVAL SUBSEQUENT TO THE
23 VOTER APPROVAL REQUIRED PURSUANT TO PART 2 OF THIS ARTICLE 37.

24 PART 2

25 SUBMISSION OF BALLOT ISSUE - FIREARMS AND
26 AMMUNITION EXCISE TAX

27 **39-37-201. Submission of ballot issue - excise tax on firearms**

1 **and ammunition - definition.** (1) AS USED IN THIS SECTION, "BALLOT
2 ISSUE" MEANS THE QUESTION SUBMITTED TO VOTERS PURSUANT TO
3 SUBSECTION (2) OF THIS SECTION.

4 (2) AT THE STATEWIDE ELECTION HELD IN NOVEMBER 2024, THE
5 SECRETARY OF STATE SHALL SUBMIT TO THE REGISTERED ELECTORS OF
6 THE STATE FOR THEIR APPROVAL OR REJECTION THE FOLLOWING BALLOT
7 ISSUE: "SHALL STATE TAXES BE INCREASED BY \$54,000,000 ANNUALLY TO
8 FUNDAMENTAL HEALTH SERVICES, INCLUDING FOR AT-RISK YOUTH, SCHOOL
9 SAFETY AND GUN VIOLENCE PREVENTION, AND SUPPORT SERVICES FOR
10 VICTIMS OF DOMESTIC VIOLENCE AND OTHER VIOLENT CRIMES BY
11 AUTHORIZING A TAX ON GUN DEALERS, GUN MANUFACTURERS, AND
12 AMMUNITION VENDORS AT THE RATE OF 9% OF THE NET TAXABLE SALES
13 FROM THE RETAIL SALE OF ANY FIREARM, FIREARM PRECURSOR PART, OR
14 AMMUNITION, WITH THE STATE KEEPING AND SPENDING ALL OF THE NEW
15 TAX REVENUE AS A VOTER-APPROVED REVENUE CHANGE?"

16 (3) FOR PURPOSES OF SECTION 1-5-407, THE BALLOT ISSUE IS A
17 PROPOSITION. SECTION 1-40-106 (3)(d) DOES NOT APPLY TO THE BALLOT
18 ISSUE.

19 PART 3

20 FIREARMS AND AMMUNITION EXCISE TAX CASH FUND

21 **39-37-301. Firearms and ammunition excise tax cash fund -**
22 **creation - distribution.** (1) (a) THE FIREARMS AND AMMUNITION EXCISE
23 TAX CASH FUND IS CREATED IN THE STATE TREASURY. THE FUND CONSISTS
24 OF MONEY TRANSFERRED TO THE FUND PURSUANT TO SECTION 39-37-110
25 (2) AND ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY
26 APPROPRIATE OR TRANSFER TO THE FUND.

27 (b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND

1 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
2 FUND TO THE FUND.

3 (2) (a) EXCEPT FOR ANY MONEY IN THE FUND THAT IS ANNUALLY
4 APPROPRIATED BY THE GENERAL ASSEMBLY PURSUANT TO SUBSECTION
5 (2)(b) OF THIS SECTION, MONEY PAID INTO THE FUND PURSUANT TO
6 SECTION 39-37-110 (2) OR CREDITED TO THE FUND PURSUANT TO
7 SUBSECTION (1)(b) OF THIS SECTION MUST BE DISTRIBUTED FROM THE
8 FUND AS FOLLOWS:

9 (I) (A) THE FIRST THIRTY-FIVE MILLION DOLLARS PAID INTO THE
10 FUND IN THE FIRST FISCAL YEAR IN WHICH MONEY IS TRANSFERRED TO THE
11 FUND MUST BE TRANSFERRED TO THE COLORADO CRIME VICTIM SERVICES
12 FUND CREATED IN SECTION 24-33.5-505.5 (2) AND USED FOR CRIME VICTIM
13 SERVICES GRANTS, AS DESCRIBED IN SECTION 24-33.5-505.5 (3);

14 (B) FOR EACH FISCAL YEAR THEREAFTER, THE STATE TREASURER
15 SHALL ANNUALLY ADJUST THE AMOUNT REQUIRED TO BE TRANSFERRED
16 PURSUANT TO SUBSECTION (2)(a)(I)(A) OF THIS SECTION FOR INFLATION
17 OR DEFLATION AND SHALL ROUND THE ADJUSTED AMOUNT UPWARD OR
18 DOWNWARD TO THE NEAREST ONE THOUSAND DOLLARS. INFLATION OR
19 DEFLATION IS MEASURED BY THE ANNUAL PERCENTAGE CHANGE IN THE
20 UNITED STATES DEPARTMENT OF LABOR'S BUREAU OF LABOR STATISTICS
21 CONSUMER PRICE INDEX, OR A SUCCESSOR INDEX, FOR
22 DENVER-AURORA-LAKEWOOD FOR "ALL ITEMS" PAID BY URBAN
23 CONSUMERS.

24 (II) AFTER THE REQUIREMENT IN SUBSECTION (2)(a)(I) OF THIS
25 SECTION IS MET, THE NEXT TEN MILLION DOLLARS PAID INTO THE FUND IN
26 EACH FISCAL YEAR MUST BE TRANSFERRED TO THE SCHOOL SECURITY
27 DISBURSEMENT PROGRAM CASH FUND CREATED IN SECTION 24-33.5-1811

1 (1);
2 (III) AFTER THE REQUIREMENT IN SUBSECTION (2)(a)(II) OF THIS
3 SECTION IS MET, THE NEXT TEN MILLION DOLLARS PAID INTO THE FUND IN
4 EACH FISCAL YEAR MUST BE TRANSFERRED TO THE [REDACTED] BEHAVIORAL AND
5 MENTAL HEALTH CASH FUND CREATED IN SECTION 24-75-230 (2)(a); AND

6 (IV) AFTER THE REQUIREMENT IN SUBSECTION (2)(a)(III) OF THIS
7 SECTION IS MET, ALL REMAINING MONEY PAID INTO THE FUND IN EACH
8 FISCAL YEAR MUST BE TRANSFERRED TO THE COLORADO CRIME VICTIM
9 SERVICES FUND CREATED IN SECTION 24-33.5-505.5 (2) AND USED FOR
10 CRIME VICTIM SERVICES GRANTS, AS DESCRIBED IN SECTION 24-33.5-505.5
11 (3).

12 (b) THE GENERAL ASSEMBLY MAY ANNUALLY APPROPRIATE
13 MONEY PAID INTO THE FUND PURSUANT TO SECTION 39-37-110 (2) TO THE
14 DEPARTMENT OF REVENUE FOR THE DIRECT AND INDIRECT COSTS
15 ASSOCIATED WITH IMPLEMENTING THIS ARTICLE 37.

16 [REDACTED]
17 **SECTION 2.** In Colorado Revised Statutes, 24-33.5-505.5,
18 **amend** (2), (3), and (5)(a) as follows:

19 **24-33.5-505.5. Colorado crime victim services fund - creation**
20 **- uses - applications for grants - legislative declaration - repeal.**

21 (2) (a) The Colorado crime victim services fund is created in the state
22 treasury and referred to in this section as the "fund". The fund consists of
23 money transferred to the fund pursuant to subsection (4) of this section,
24 MONEY TRANSFERRED TO THE FUND PURSUANT TO SECTION 39-37-301
25 (2)(a)(I) AND (2)(a)(IV) and any other money that the general assembly
26 may appropriate or transfer to the fund.

27 (b) Money in PAID INTO the fund PURSUANT TO SUBSECTION (4) OF

1 THIS SECTION is continuously appropriated to the division for crime victim
2 services grants, as described in subsection (3) of this section.

3 (c) MONEY PAID INTO THE FUND PURSUANT TO SECTION 39-37-301
4 (2)(a)(I) AND (2)(a)(IV) MUST BE USED FOR CRIME VICTIM SERVICES
5 GRANTS, AS DESCRIBED IN SUBSECTION (3) OF THIS SECTION.

6 [REDACTED]
7 (d) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
8 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
9 FUND TO THE FUND.

10 (3) The division shall award grants from the fund to governmental
11 agencies and nonprofit organizations that provide services for crime
12 victims, including attending to the needs of animal companions. A grant
13 award may be used to enhance or provide services for crime victims OR
14 FOR THE PREVENTION OF CRIMES. The division shall award grants from the
15 fund in accordance with the division's process for awarding grants
16 described in section 24-33.5-507.

17 (5) (a) The division may use up to five hundred thousand dollars
18 of the money transferred to the fund pursuant to subsection (4) of this
19 section and up to five percent of any other money transferred or
20 appropriated to the fund for development and administrative costs
21 incurred by the division pursuant to this section; EXCEPT THAT THE
22 DIVISION MAY USE UP TO TEN PERCENT OF THE MONEY TRANSFERRED TO
23 THE FUND PURSUANT TO SECTION 39-37-301 (2)(a)(I) and (2)(a)(IV) FOR
24 DEVELOPMENT AND ADMINISTRATIVE COSTS INCURRED BY THE DIVISION
25 PURSUANT TO SUBSECTION (2)(c) OF THIS SECTION.

26 [REDACTED] **SECTION 3.** In Colorado Revised Statutes, **amend**
27 **24-33.5-1811** as follows:

1 **24-33.5-1811. School security disbursement program cash**

2 **fund - repeal.** (1) The school security disbursement program cash fund,

3 referred to in this section as the "fund" is created in the state treasury. The

4 fund consists of money TRANSFERRED TO THE FUND PURSUANT TO

5 SECTION 39-37-301 (2)(a)(II) AND ANY OTHER MONEY that the general

6 assembly may appropriate or transfer to the fund. The state treasurer shall

7 credit all interest and income derived from the deposit and investment of

8 money in the fund to the fund. Subject to annual appropriation by the

9 general assembly, the department may expend money from the fund to

10 implement the school security disbursement program created in section

11 24-33.5-1810. The department may expend up to three percent of the

12 amount appropriated to the fund in each fiscal year for the administrative

13 expenses incurred in implementing the school security disbursement

14 program.

15 (2) This section is repealed, effective July 1, 2024. The state

16 treasurer shall transfer all unexpended and unencumbered money in the

17 fund on June 30, 2024, to the general fund JULY 1, 2032.

18 **SECTION 4.** In Colorado Revised Statutes, 24-75-230, **amend**

19 (2)(a), (3), and (5); and **add** (3.5) as follows:

20 **24-75-230. Behavioral and mental health cash fund - creation**

21 **- allowable uses - task force - definitions - repeal.** (2) (a) The

22 behavioral and mental health cash fund is created in the state treasury.

23 The fund consists of money credited to the fund in accordance with

24 subsection (2)(b) of this section, MONEY TRANSFERRED TO THE FUND

25 PURSUANT TO SECTION 39-37-301 (2)(a)(III), and any other money that the

26 general assembly may appropriate or transfer to the fund. ~~To respond to~~

27 ~~the public health emergency with respect to COVID-19 or its negative~~

1 ~~economic impacts or for the provision of government services, The~~
2 ~~general assembly may appropriate money from the fund to a department~~
3 ~~for behavioral health care.~~

4 (3) (a) A department may expend money appropriated from the
5 fund THAT WAS CREDITED TO THE FUND IN ACCORDANCE WITH
6 SUBSECTION (2)(b) OF THIS SECTION for purposes permitted under the
7 "American Rescue Plan Act of 2021" Pub.L. 117-2, as the act may be
8 subsequently amended, and shall not use the money for any purpose
9 prohibited by the act. A department or any person who receives SUCH
10 money from the fund shall comply with any requirements set forth in
11 section 24-75-226.

12 (b) THE LIMITATIONS AND REQUIREMENTS SET FORTH IN
13 SUBSECTION (3)(a) OF THIS SECTION DO NOT APPLY TO MONEY
14 TRANSFERRED TO THE FUND PURSUANT TO SECTION 39-37-301 (2)(a)(III).

15 (3.5) THE MONEY TRANSFERRED TO THE FUND PURSUANT TO
16 SECTION 39-37-301 (2)(a)(III) MUST BE USED BY THE BEHAVIORAL HEALTH
17 ADMINISTRATION, ESTABLISHED PURSUANT TO SECTION 27-50-102, FOR
18 THE PURPOSE OF CONTINUING AND EXPANDING ACCESS TO BEHAVIORAL
19 HEALTH CRISIS RESPONSE SYSTEM SERVICES FOR CHILDREN AND YOUTH IN
20 ACCORDANCE WITH ARTICLE 60 OF TITLE 27.

21 (5) This section is repealed, effective ~~July 1, 2027~~ JULY 1, 2032.

22 **SECTION 5.** In Colorado Revised Statutes, 27-60-103, **add** (1.7)
23 as follows:

24 **27-60-103. Behavioral health crisis response system - services**
25 **- request for proposals - criteria - reporting - rules - definitions -**
26 **repeal.** (1.7) BEGINNING JANUARY 1, 2025, THE BHA SHALL USE THE
27 MONEY TRANSFERRED TO THE BEHAVIORAL AND MENTAL HEALTH CASH

1 FUND PURSUANT TO SECTIONS 24-75-230 (2)(a) AND 39-37-301 (2)(a)(III),
2 TO CONTINUE AND EXPAND ACCESS TO BEHAVIORAL HEALTH CRISIS
3 RESPONSE SYSTEM SERVICES FOR CHILDREN AND YOUTH IN ACCORDANCE
4 WITH THIS ARTICLE 60.

5 **SECTION 6.** In Colorado Revised Statutes, 39-21-102, **amend**
6 (1) as follows:

7 **39-21-102. Scope.** (1) Unless otherwise indicated, the provisions
8 of this article 21 apply to the taxes or fees imposed by ~~articles 22 to 35~~
9 ~~ARTICLES 22 TO 37~~ of this title 39 and article 60 of title 34, section 21 of
10 article X of the state constitution, article 3 of title 42, part 5 of article 3
11 of title 44, articles 11 and 20 of title 30, article 4 of title 43, article 2 of
12 title 40, and part 2 of article 20 of title 8.

13 **SECTION 7.** In Colorado Revised Statutes, 39-21-103, **amend**
14 (1) as follows:

15 **39-21-103. Hearings.** (1) As soon as practicable after any tax
16 return or the return showing the value of oil and gas is filed, ~~pursuant to~~
17 ~~articles 22 to 29 of this title, article 60 of title 34, or article 3 of title 42,~~
18 ~~C.R.S.~~, the executive director shall examine it and shall determine the
19 correct amount of tax. If the tax found due is greater than the amount
20 theretofore assessed or paid, a notice of deficiency shall be mailed to the
21 taxpayer by first-class mail as set forth in section 39-21-105.5.

22 **SECTION 8.** In Colorado Revised Statutes, 39-21-106, **amend**
23 (1) as follows:

24 **39-21-106. Compromise.** (1) The executive director or ~~his or her~~
25 ~~THE EXECUTIVE DIRECTOR'S~~ delegate may compromise any civil or
26 criminal case arising under any tax or ~~the charge on oil and gas~~
27 ~~production imposed by articles 22 to 29 of this title, article 60 of title 34,~~

1 ~~or article 3 of title 42, C.R.S.,~~ ADMINISTERED PURSUANT TO THIS ARTICLE
2 21 prior to reference to the department of law for prosecution or defense;
3 and the attorney general or ~~his or her~~ THE ATTORNEY GENERAL'S delegate
4 shall, upon the written direction of the executive director, compromise
5 any such case after reference to the department of law for prosecution or
6 defense.

7 **SECTION 9.** In Colorado Revised Statutes, 39-21-107, **amend**
8 (1)as follows:

9 **39-21-107. Limitations.** (1) Except as provided in this section,
10 in section 29-2-106.1 (5)(b), and unless such time is extended by waiver,
11 the amount of any tax or of any charge on oil and gas production ~~imposed~~
12 ~~pursuant to articles 24 to 29 of this title 39 or article 3 of title 42,~~ and the
13 penalty and interest applicable thereto, shall be assessed within three
14 years after the return was filed, whether or not such return was filed on
15 or after the date prescribed, and no assessment shall be made or credit
16 taken and no notice of lien shall be filed, nor distraint warrant issued, nor
17 suit for collection instituted, nor any other action to collect the same
18 commenced after the expiration of such period; except that a written
19 proposed adjustment of the tax liability by the department issued prior to
20 the expiration of such period shall extend the limitation of this subsection
21 (1) for one year after a final determination or assessment is made. No lien
22 shall continue after the three-year period provided for in this subsection
23 (1), except for taxes assessed before the expiration of such period, notice
24 of lien with respect to which has been filed prior to the expiration of such
25 period, and except for taxes on which written notice of any proposed
26 adjustment of the tax liability has been sent to the taxpayer during such
27 three-year period, in which case the lien shall continue for one year only

1 after the expiration of such period or after the issuance of a final
2 determination or assessment based on the proposed adjustment issued
3 prior to the expiration of the three-year period. This subsection (1) shall
4 DOES not apply to income tax or to any tax imposed under article 23.5 of
5 this title 39.

6 **SECTION 10.** In Colorado Revised Statutes, 39-21-108, **amend**
7 (3)(a)(I)(A) introductory portion as follows:

8 **39-21-108. Refunds.** (3) (a) (I) (A) Whenever it is established
9 that any taxpayer has, for any period open under the statutes, overpaid a
10 tax covered by articles 22 and 26 to 29 of this title 39, article 60 of title
11 34, and article 3 of title 42 ADMINISTERED PURSUANT TO THIS ARTICLE 21
12 and that: There is an unpaid balance of tax and interest accrued, according
13 to the records of the executive director, owing by such taxpayer for any
14 other period; there is an amount required to be repaid to the
15 unemployment compensation fund pursuant to section 8-81-101 (4), the
16 amount of which has been determined to be owing as a result of a final
17 agency determination or judicial decision or that has been reduced to
18 judgment by the division of unemployment insurance in the department
19 of labor and employment; there is any unpaid child support debt as set
20 forth in section 14-14-104, or child support arrearages that are the subject
21 of enforcement services provided pursuant to section 26-13-106, as
22 certified by the department of human services; there are any unpaid
23 obligations owing to the state as set forth in section 26-2-133, for
24 overpayment of public assistance or medical assistance benefits, the
25 amount of which has been determined to be owing as a result of final
26 agency determination or judicial decision or that has been reduced to
27 judgment, as certified by the department of human services; there are any

1 unpaid obligations owing to the state as set forth in section 26.5-4-119,
2 for overpayment of child care assistance, the amount of which has been
3 determined to be owing as a result of final agency determination or
4 judicial decision or that has been reduced to judgment as certified by the
5 department of early childhood; there is any unpaid loan or other
6 obligation due to a state-supported institution of higher education as set
7 forth in section 23-5-115, the amount of which has been determined to be
8 owing as a result of a final agency determination or judicial decision or
9 that has been reduced to judgment, as certified by the appropriate
10 institution; there is any unpaid loan due to the student loan division of the
11 department of higher education as set forth in section 23-3.1-104 (1)(p),
12 the amount of which has been determined to be owing as a result of a
13 final agency determination or judicial decision or that has been reduced
14 to judgment, as certified by the division; there is any unpaid loan due to
15 the collegeinvest division of the department of higher education as set
16 forth in section 23-3.1-206, the amount of which has been determined to
17 be owing as a result of a final agency determination or judicial decision
18 or that has been reduced to judgment; there is any outstanding judicial
19 fine, fee, cost, or surcharge as set forth in section 16-11-101.8, or judicial
20 restitution as set forth in section 16-18.5-106.8, the amount of which has
21 been determined to be owing as a result of a final judicial department
22 determination or certified by the judicial department as a judgment owed
23 the state or a victim; there is any unpaid debt owing to the state or any
24 agency thereof by such taxpayer, and that is found to be owing as a result
25 of a final agency determination or the amount of which has been reduced
26 to judgment and as certified by the state agency; or the taxpayer is a
27 qualified individual identified pursuant to section 39-22-120 (10) or

1 39-22-2003 (9), so much of the overpayment of tax plus interest
2 allowable thereon as does not exceed the amount of such unpaid balance
3 or unpaid debt must be credited first to the unpaid balance of tax and
4 interest accrued and then to the unpaid debt, and any excess of the
5 overpayment must be refunded. If the taxpayer elects to designate his or
6 her refund as a credit against a subsequent year's tax liability, the amount
7 allowed to be so credited must be reduced first by the unpaid balance of
8 tax and interest accrued and then by the unpaid debt. If the taxpayer filed
9 a joint return, the executive director shall notify the other taxpayer named
10 on the joint return that the portion of the overpayment that is generated by
11 the other taxpayer's income will be refunded upon receipt of a request
12 detailing said amount.

13 **SECTION 11.** In Colorado Revised Statutes, 39-21-109, **amend**
14 **(1)** as follows:

15 **39-21-109. Interest on underpayment, nonpayment, or**
16 **extensions of time for payment of tax.** (1) If any amount of tax or any
17 charge on oil and gas production imposed pursuant to articles 22 to 29 of
18 this title, article 60 of title 34, or article 3 of title 42, C.R.S.,
19 ADMINISTERED PURSUANT TO THIS ARTICLE 21 is not paid on or before the
20 last date prescribed for payment, interest on such amount at the rate
21 imposed under section 39-21-110.5, except as provided in subsection
22 (1.5) of this section, shall be paid for the period from such last date to the
23 date paid. The last date prescribed for payment shall be determined
24 without regard to any extension of time for payment and shall be
25 determined without regard to any notice and demand for payment issued,
26 by reason of jeopardy, prior to the last date otherwise prescribed for such
27 payment. In the case of a tax in which the last date for payment is not

1 otherwise prescribed, the last date for payment shall be deemed to be the
2 date the liability for the tax arises, and in no event shall it be later than the
3 date notice and demand for the tax is made by the executive director of
4 the department of revenue or ~~his~~ THE EXECUTIVE DIRECTOR'S delegate.

5 **SECTION 12.** In Colorado Revised Statutes, 39-21-110, **amend**
6 (1) introductory portion, (2), and (3) as follows:

7 **39-21-110. Interest on overpayments - repeal.** (1) Interest shall
8 be allowed and paid upon any overpayment in respect to any tax or ~~any~~
9 ~~charge on oil and gas production imposed pursuant to articles 22 to 29 of~~
10 ~~this title 39, article 60 of title 34, or article 3 of title 42~~ ADMINISTERED
11 PURSUANT TO THIS ARTICLE 21 at the rate imposed under section
12 39-21-110.5. Such interest shall be allowed and paid as follows:

13 (2) Any portion of any tax or ~~of a charge on oil and gas production~~
14 ~~imposed pursuant to articles 22 to 29 of this title, article 60 of title 34, or~~
15 ~~article 3 of title 42, C.R.S.,~~ ADMINISTERED PURSUANT TO THIS ARTICLE 21
16 or any interest, assessable penalty, additional amount, or addition to a tax
17 or charge which has been erroneously refunded shall bear interest at the
18 rate imposed under section 39-21-110.5 from the date of the payment of
19 the refund.

20 (3) If any overpayment of any tax or ~~of a charge on oil and gas~~
21 ~~production imposed pursuant to articles 22 to 29 of this title, article 60 of~~
22 ~~title 34, or article 3 of title 42, C.R.S.,~~ ADMINISTERED PURSUANT TO THIS
23 ARTICLE 21 is refunded within ninety days after the last date prescribed
24 for filing the return of such tax or charge, determined without regard to
25 any extension of time for filing the return, no interest shall be allowed
26 under subsection (1) of this section on such overpayment.

27 **SECTION 13.** In Colorado Revised Statutes, 39-21-110.5,

1 **amend** (1) as follows:

2 **39-21-110.5. Rate of interest to be fixed.** (1) When interest is
3 required or permitted to be charged ~~under any provision of articles 20 to~~
4 ~~29 of this title in connection with interest~~ PURSUANT TO THIS SECTION on
5 ANY underpayment, nonpayment, extension of time for payment, or
6 overpayment, or when interest is required to be paid pursuant to section
7 8-20.5-104, ~~C.R.S.~~, in connection with an application for reimbursement
8 from the petroleum storage tank fund, such interest shall be computed at
9 the annual rate which has been established pursuant to this section.

10 **SECTION 14.** In Colorado Revised Statutes, 39-21-112, **amend**
11 (1) as follows:

12 **39-21-112. Duties and powers of executive director.** (1) It is
13 the duty of the executive director to administer the provisions of this
14 article 21, and the executive director has the power to adopt, amend, or
15 rescind such rules not inconsistent with the provisions of this article 21,
16 ~~articles 22 to 29 of this title 39, and article 3 of title 42~~ THE STATUTORY
17 PROVISIONS LISTED IN SECTION 39-21-102, and, subject to other provisions
18 of law relating to the promulgation of rules, to appoint, pursuant to
19 section 13 of article XII of the state constitution, such persons, to make
20 such expenditures, to require such reports, to make such investigations,
21 and to take such other action as the executive director deems necessary
22 or suitable to that end. The executive director shall determine the
23 organization and methods of procedure in accordance with the provisions
24 of this article 21. For the purpose of ascertaining the correctness of any
25 return or for the purpose of making an estimate of the tax due from any
26 taxpayer, the executive director has the power to examine or cause to be
27 examined by any employee, agent, or representative designated by the

1 executive director for that purpose any books, papers, records, or
2 memoranda bearing upon the matters required to be included in the
3 return. In the exercise of rule-making authority as to article 29 of this title
4 39, as granted by the general assembly pursuant to this subsection (1), the
5 executive director may not readopt any rule, or portion thereof,
6 disapproved on or after July 1, 1982, by the general assembly pursuant to
7 section 24-4-103 (8)(d) without the approval of the general assembly.

8 **SECTION 15.** In Colorado Revised Statutes, 39-21-113, **amend**
9 (1)(a) as follows:

10 **39-21-113. Reports and returns - rule - repeal.** (1) (a) It is the
11 duty of every person, firm, or corporation liable to the state of Colorado
12 for any tax or any charge on oil and gas production imposed pursuant to
13 ~~articles 23.5 to 29 of this title or article 3 of title 42, C.R.S.,~~
14 ADMINISTERED PURSUANT TO THIS ARTICLE 21 to keep and preserve for a
15 period of three years such books, accounts, and records as may be
16 necessary to determine the amount of liability.

17 **SECTION 16.** In Colorado Revised Statutes, 39-21-119.5,
18 **amend** (1), (4)(k), and (4)(l); and **add** (4)(m) as follows:

19 **39-21-119.5. Mandatory electronic filing of returns -**
20 **mandatory electronic payment - penalty - waiver - definitions.**
21 (1) For purposes of this section, "return" means any report, claim, tax
22 return statement, or other document required or authorized under articles
23 11 and 25 of title 29, article 11 of title 30, articles 22, 26, 27, 28, 28.5,
24 28.6, 28.8, ~~and 29,~~ AND 37 of this title 39, article 2 of title 40, article 3 of
25 title 42, article 4 of title 43, and title 44, and any form, statement report,
26 or other document prescribed by the executive director for reporting a tax
27 liability, a fee liability, or other information required to be returned to the

1 executive director, including the reporting of changes or amendments
2 thereto, and any schedule certification, worksheet, or other document
3 required to accompany the return.

4 (4) Except as provided in subsection (6) of this section, on and
5 after August 2, 2019, electronic filing of returns and the payment of any
6 tax or fee by electronic funds transfer is required for the following:

7 (k) Any clean fleet per ride fee and air pollution mitigation per
8 ride fee return required to be filed and payment required pursuant to
9 section 40-10.1-607.5; and

10 (l) Any quarterly report for the advance payment of an income tax
11 credit required to be filed pursuant to section 39-22-629 (2)(b); AND

12 (m) ANY FIREARMS AND AMMUNITION EXCISE TAX RETURN
13 REQUIRED TO BE FILED AND ANY PAYMENT OF TAX REQUIRED TO BE
14 REMITTED PURSUANT TO ARTICLE 37 OF THIS TITLE 39.

15 **SECTION 17. Effective date.** (1) Except as otherwise provided
16 in subsection (2) of this section, this act takes effect only if, at the
17 November 2024 statewide election, a majority of voters approve the ballot
18 issue referred in accordance with section 39-37-201, Colorado Revised
19 Statutes, created in section 1 of this act. If the voters approve the ballot
20 issue, then this act takes effect on the date of the official declaration of
21 the vote thereon by the governor.

22 (2) Section 39-37-201, Colorado Revised Statutes, created in
23 section 1 of this act, takes effect upon passage.

24 **SECTION 18. Safety clause.** The general assembly finds,
25 determines, and declares that this act is necessary for the immediate
26 preservation of the public peace, health, or safety or for appropriations for

- 1 the support and maintenance of the departments of the state and state
- 2 institutions.