

CHAPTER 306

TAXATION

HOUSE BILL 99-1377

BY REPRESENTATIVES Plant, Grossman, Bacon, Gagliardi, Kaufman, Kester, Mace, Miller, Ragsdale, Scott, Sinclair, Tochtrop, Vigil, Zimmerman, Clarke, Coleman, Hefley, Leyba, McElhany, McKay, Saliman, Tate, Tupa, and Veiga; also SENATORS Feeley, Chlouber, Congrove, Dyer, Epps, Evans, Hernandez, Musgrave, Nichol, Owen, Phillips, Reeves, Rupert, Sullivant, Tebedo, Teck, and Weddig.

AN ACT

CONCERNING THE ADDITION OF VETERANS' ORGANIZATIONS REGISTERED UNDER SECTION 501 (c) (19) OF THE "INTERNAL REVENUE CODE OF 1986", AS AMENDED, THAT SPONSOR A SPECIAL EVENT, MEETING, OR OTHER FUNCTION IN THE STATE OF COLORADO TO THE DEFINITION OF CHARITABLE ORGANIZATION FOR PURPOSES OF THE SALES AND USE TAX EXEMPTION.

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

SECTION 1. 39-26-102 (2.5), Colorado Revised Statutes, is amended to read:

39-26-102. Definitions. As used in this article, unless the context otherwise requires:

(2.5) "Charitable organization" means any entity organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes, or to foster national or international amateur sports competition (but only if no part of its activities involve the provision of athletic facilities or equipment), or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation, and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office, OR ANY VETERANS' ORGANIZATION REGISTERED UNDER SECTION 501 (c) (19) OF THE "INTERNAL REVENUE CODE OF 1986", AS AMENDED, FOR THE PURPOSE OF SPONSORING A SPECIAL EVENT, MEETING, OR OTHER FUNCTION IN THE STATE OF COLORADO SO LONG AS SUCH EVENT, MEETING, OR FUNCTION IS NOT PART OF SUCH ORGANIZATION'S REGULAR ACTIVITIES IN THE STATE.

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

SECTION 2. 39-26-114 (1) (a) (II), Colorado Revised Statutes, is amended to read:

39-26-114. Exemptions - disputes - credits or refunds. (1) (a) There shall be exempt from taxation under the provisions of this part 1 the following:

(II) All sales made to charitable organizations, in the conduct of their regular charitable functions and activities; EXCEPT THAT ANY VETERANS' ORGANIZATION THAT QUALIFIES AS A CHARITABLE ORGANIZATION PURSUANT TO SECTION 39-26-102 (2.5) SHALL BE EXEMPT FROM TAXATION UNDER THE PROVISIONS OF THIS PART 1 ONLY FOR THE PURPOSE OF SPONSORING A SPECIAL EVENT, MEETING, OR OTHER FUNCTION IN THE STATE OF COLORADO THAT IS NOT PART OF SUCH ORGANIZATION'S REGULAR ACTIVITIES IN THE STATE;

SECTION 3. 39-26-203 (1) (e), Colorado Revised Statutes, is amended to read:

39-26-203. Exemptions. (1) This part 2 is declared to be supplementary to the "Emergency Retail Sales Tax Law of 1935", part 1 of this article, and shall not apply:

(e) To the storage, use, consumption, or loan of tangible personal property by or to the United States government, the state of Colorado, or its institutions, or its political subdivisions in their governmental capacities only, or any charitable organization in the conduct of its regular charitable functions and activities; EXCEPT THAT ANY VETERANS' ORGANIZATION THAT QUALIFIES AS A CHARITABLE ORGANIZATION PURSUANT TO SECTION 39-26-102 (2.5) SHALL BE EXEMPT FROM TAXATION UNDER THE PROVISIONS OF THIS PART 2 ONLY FOR THE PURPOSE OF SPONSORING A SPECIAL EVENT, MEETING, OR OTHER FUNCTION IN THE STATE OF COLORADO THAT IS NOT PART OF SUCH ORGANIZATION'S REGULAR ACTIVITIES IN THE STATE;

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

Approved: June 2, 1999