

CHAPTER 298

TAXATION

HOUSE BILL 00-1259

BY REPRESENTATIVES McPherson, Gordon, Allen, Bacon, Berry, Chavez, Clarke, Coleman, Decker, Fairbank, Gagliardi, George, Grossman, Hagedorn, Hefley, Hoppe, Johnson, King, Leyba, May, McElhany, Miller, Nuñez, Plant, Scott, Spence, Spradley, Stengel, Tapia, Tate, Taylor, Tochtrop, Tool, Tupa, Veiga, Vigil, Webster, S. Williams, T. Williams, Windels, Witwer, and Zimmerman;
also SENATORS Teck, Arnold, Blickensderfer, Evans, Hernandez, Powers, Tebedo, and Weddig.

AN ACT

CONCERNING THE REDUCTION OF THE STATE SALES AND USE TAX RATE, AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

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

SECTION 1. 29-2-108, Colorado Revised Statutes, is amended to read:

29-2-108. Limitation on amount. (1) In no case shall the total sales tax or total use tax imposed by the state of Colorado, any county, and any city or town in any locality in the state of Colorado exceed ~~seven~~ SIX AND NINETY ONE-HUNDREDTHS percent; except that this limitation shall not preclude a county sales tax or use tax at a rate not to exceed one percent.

(2) Repealed.

(3) The additional two-tenths of one percent tax imposed by article 26.1 of title 39, C.R.S., any tax imposed pursuant to sections 30-11-107.5 and 30-11-107.7, C.R.S., and the additional tax authorized by section 30-20-604.5, C.R.S., if imposed, shall be exempt from the ~~seven~~ SIX AND NINETY ONE-HUNDREDTHS percent limitation imposed by subsection (1) of this section.

(4) Any additional increment of sales tax or total use tax which may be imposed by any county pursuant to the provisions of section 29-2-103.5 shall be exempt from the ~~seven~~ SIX AND NINETY ONE-HUNDREDTHS percent limitation imposed by subsection (1) of this section.

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

(5) Any additional increment of sales tax or use tax imposed by any category IV or category V county, as defined in section 30-2-102, C.R.S., for the specific purpose of funding the operations of any health service district created within such county pursuant to the "Special District Act", article 1 of title 32, C.R.S., shall be exempt from the ~~seven~~ SIX AND NINETY ONE-HUNDREDTHS percent limitation imposed by subsection (1) of this section. In no case shall such additional increment of sales tax or use tax exceed a rate of one percent. Any tax imposed pursuant to this subsection (5) may be terminated by the board of county commissioners of any such county after notice to the health service district and a public hearing thereon. If any such tax is terminated, the effective date of such termination shall be not less than six months after the decision thereon by the board of county commissioners.

SECTION 2. 39-26-105 (1) (a), Colorado Revised Statutes, is amended, and the said 39-26-105 (1) is further amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

39-26-105. Vendor liable for tax. (1) (a) Except as provided in ~~paragraph (d)~~ PARAGRAPHS (d) AND (e) of this subsection (1), every retailer, also in this part 1 called "vendor", shall, irrespective of the provisions of section 39-26-106, be liable and responsible for the payment of an amount equivalent to three percent of all sales made by the vendor of commodities or services as specified in section 39-26-104 and shall, before the twentieth day of each month, make a return to the executive director of the department of revenue for the preceding calendar month and remit an amount equivalent to said three percent on such sales to said executive director, less three and one-third percent of the sum so remitted to cover the vendor's expense in the collection and remittance of said tax; but, if any vendor is delinquent in remitting said tax, other than in unusual circumstances shown to the satisfaction of the executive director, the vendor shall not be allowed to retain any amounts to cover his expense in collecting and remitting said tax, and an amount equivalent to the full three percent, plus the amount of any local vendor expense which may be allowed by the local government to the vendor, shall be remitted to the executive director by any such delinquent vendor. Such returns of the taxpayer or the taxpayer's duly authorized agent shall contain such information and be made in such manner and upon such forms as the executive director shall prescribe. Any local vendor expense remitted to the executive director shall be deposited to the state general fund.

(e) FOR ANY STATE FISCAL YEAR COMMENCING ON OR AFTER JULY 1, 2000, EVERY RETAILER OR VENDOR WHO SELLS ITEMS UPON WHICH A SALES TAX IS IMPOSED AT A RATE OF ONE ONE-HUNDREDTH OF ONE PERCENT PURSUANT TO SECTION 39-26-106 (3) (a) SHALL BE LIABLE AND RESPONSIBLE FOR THE PAYMENT OF AN AMOUNT EQUIVALENT TO THE AMOUNT OF SALES TAX IMPOSED ON SUCH ITEMS LESS THREE AND ONE-THIRD PERCENT.

SECTION 3. 39-26-106 (1) (a), Colorado Revised Statutes, is amended, and the said 39-26-106 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

39-26-106. Schedule of sales tax. (1) (a) (I) EXCEPT AS OTHERWISE PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (a) AND IN SUBSECTION (3) OF THIS SECTION, there is imposed upon all sales of commodities and services specified in section 39-26-104 a tax at the rate of three percent of the amount of the sale, to be

computed in accordance with schedules or systems approved by the executive director of the department of revenue. Said schedules or systems shall be designed so that no such tax is charged on any sale of seventeen cents or less.

(II) ON AND AFTER JANUARY 1, 2001, THERE IS IMPOSED UPON ALL SALES OF COMMODITIES AND SERVICES SPECIFIED IN SECTION 39-26-104 A TAX AT THE RATE OF TWO AND NINETY ONE-HUNDREDTHS PERCENT OF THE AMOUNT OF THE SALE TO BE COMPUTED IN ACCORDANCE WITH SCHEDULES OR SYSTEMS APPROVED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE. SAID SCHEDULES OR SYSTEMS SHALL BE DESIGNED SO THAT NO SUCH TAX IS CHARGED ON ANY SALE OF SEVENTEEN CENTS OR LESS.

(3) (a) NOTWITHSTANDING THE RATE PROVISIONS OF PARAGRAPH (a) OF SUBSECTION (1) OF THIS SECTION, FOR ANY FISCAL YEAR COMMENCING ON OR AFTER JULY 1, 2000, IF THE REVENUE ESTIMATE PREPARED BY THE STAFF OF THE LEGISLATIVE COUNCIL IN JUNE OF THE CALENDAR YEAR IN WHICH THAT FISCAL YEAR ENDS INDICATES THAT THE AGGREGATE AMOUNT OF STATE REVENUES WILL EXCEED THE LIMITATION ON STATE FISCAL YEAR SPENDING IMPOSED BY SECTION 20 (7) (a) OF ARTICLE X OF THE STATE CONSTITUTION FOR THAT FISCAL YEAR BY THREE HUNDRED FIFTY MILLION DOLLARS OR MORE, AS ADJUSTED PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (3), AND VOTERS STATEWIDE EITHER HAVE NOT AUTHORIZED THE STATE TO RETAIN AND SPEND ALL OF THE EXCESS STATE REVENUES OR HAVE AUTHORIZED THE STATE TO RETAIN AND SPEND ONLY A PORTION OF THE EXCESS STATE REVENUES FOR THAT FISCAL YEAR, THE TAX IMPOSED PURSUANT TO SUBSECTION (1) OF THIS SECTION SHALL BE IMPOSED UPON ANY SALE OF A NEW OR USED COMMERCIAL TRUCK, TRUCK TRACTOR, TRACTOR, SEMITRAILER, OR VEHICLE USED IN COMBINATION THEREWITH THAT HAS A GROSS VEHICLE WEIGHT RATING IN EXCESS OF TWENTY-SIX THOUSAND POUNDS FOR THE PERIOD COMMENCING ON JULY 1 OF THE CALENDAR YEAR IN WHICH THAT FISCAL YEAR ENDS THROUGH JUNE 30 OF THE IMMEDIATELY SUBSEQUENT CALENDAR YEAR, AT A RATE OF ONE ONE-HUNDREDTH OF ONE PERCENT.

(b) (I) NO LATER THAN OCTOBER 1 OF ANY GIVEN CALENDAR YEAR COMMENCING ON OR AFTER JANUARY 1, 2001, THE EXECUTIVE DIRECTOR SHALL ANNUALLY ADJUST THE DOLLAR AMOUNT SPECIFIED IN PARAGRAPH (a) OF THIS SUBSECTION (3) TO REFLECT THE RATE OF GROWTH OF COLORADO PERSONAL INCOME FOR THE CALENDAR YEAR IMMEDIATELY PRECEDING THE CALENDAR YEAR IN WHICH SUCH ADJUSTMENT IS MADE. FOR PURPOSES OF THIS SUBPARAGRAPH (I), "THE RATE OF GROWTH OF COLORADO PERSONAL INCOME" MEANS THE PERCENTAGE CHANGE BETWEEN THE MOST RECENT PUBLISHED ANNUAL ESTIMATE OF TOTAL PERSONAL INCOME FOR COLORADO, AS DEFINED AND OFFICIALLY REPORTED BY THE BUREAU OF ECONOMIC ANALYSIS IN THE UNITED STATES DEPARTMENT OF COMMERCE FOR THE CALENDAR YEAR IMMEDIATELY PRECEDING THE CALENDAR YEAR IN WHICH THE ADJUSTMENT IS MADE AND THE MOST RECENT PUBLISHED ANNUAL ESTIMATE OF TOTAL PERSONAL INCOME FOR COLORADO, AS DEFINED AND OFFICIALLY REPORTED BY THE BUREAU OF ECONOMIC ANALYSIS IN THE UNITED STATES DEPARTMENT OF COMMERCE FOR THE CALENDAR YEAR PRIOR TO THE CALENDAR YEAR IMMEDIATELY PRECEDING THE CALENDAR YEAR IN WHICH THE ADJUSTMENT IS MADE.

(II) UPON CALCULATING THE ADJUSTMENT OF SAID DOLLAR AMOUNT IN ACCORDANCE WITH SUBPARAGRAPH (I) OF THIS PARAGRAPH (b), THE EXECUTIVE DIRECTOR SHALL NOTIFY IN WRITING THE EXECUTIVE COMMITTEE OF THE LEGISLATIVE

COUNCIL CREATED PURSUANT TO SECTION 2-3-301 (1), C.R.S., OF THE ADJUSTED DOLLAR AMOUNT AND THE BASIS FOR THE ADJUSTMENT. SUCH WRITTEN NOTIFICATION SHALL BE GIVEN WITHIN FIVE WORKING DAYS AFTER SUCH CALCULATION IS COMPLETED, BUT SUCH WRITTEN NOTIFICATION SHALL BE GIVEN NO LATER THAN OCTOBER 1 OF THE CALENDAR YEAR.

(III) IT IS THE FUNCTION OF THE EXECUTIVE COMMITTEE OF THE LEGISLATIVE COUNCIL TO REVIEW AND APPROVE OR DISAPPROVE SUCH ADJUSTMENT OF SAID DOLLAR AMOUNT WITHIN TWENTY DAYS AFTER RECEIPT OF SUCH WRITTEN NOTIFICATION FROM THE EXECUTIVE DIRECTOR. ANY ADJUSTMENT THAT IS NOT APPROVED OR DISAPPROVED BY THE EXECUTIVE COMMITTEE WITHIN SAID TWENTY DAYS SHALL BE AUTOMATICALLY APPROVED; EXCEPT THAT, IF WITHIN SAID TWENTY DAYS THE EXECUTIVE COMMITTEE SCHEDULES A HEARING ON SUCH ADJUSTMENT, SUCH AUTOMATIC APPROVAL SHALL NOT OCCUR UNLESS THE EXECUTIVE COMMITTEE DOES NOT APPROVE OR DISAPPROVE SUCH ADJUSTMENT AFTER THE CONCLUSION OF SUCH HEARING. ANY HEARING CONDUCTED BY THE EXECUTIVE COMMITTEE PURSUANT TO THIS SUBPARAGRAPH (III) SHALL BE CONCLUDED NO LATER THAN TWENTY-FIVE DAYS AFTER RECEIPT OF SUCH WRITTEN NOTIFICATION FROM THE EXECUTIVE DIRECTOR.

(IV) (A) IF THE EXECUTIVE COMMITTEE OF THE LEGISLATIVE COUNCIL DISAPPROVES ANY ADJUSTMENT OF SAID DOLLAR AMOUNT CALCULATED BY THE EXECUTIVE DIRECTOR PURSUANT TO THIS PARAGRAPH (b), THE EXECUTIVE COMMITTEE SHALL SPECIFY SUCH ADJUSTED DOLLAR AMOUNT TO BE UTILIZED BY THE EXECUTIVE DIRECTOR. ANY ADJUSTED DOLLAR AMOUNT SPECIFIED BY THE EXECUTIVE COMMITTEE PURSUANT TO THIS SUB-SUBPARAGRAPH (A) SHALL BE CALCULATED IN ACCORDANCE WITH THE PROVISIONS OF THIS PARAGRAPH (b).

(B) FOR THE PURPOSE OF DETERMINING WHETHER THE SALES TAX RATE REDUCTION AUTHORIZED BY PARAGRAPH (a) OF THIS SUBSECTION (3) IS TO BE ALLOWED FOR ANY GIVEN INCOME TAX YEAR, THE EXECUTIVE DIRECTOR SHALL NOT UTILIZE ANY ADJUSTED DOLLAR AMOUNT THAT HAS NOT BEEN APPROVED PURSUANT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH (b) OR OTHERWISE SPECIFIED PURSUANT TO SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (IV).

(V) IF ONE OR MORE BALLOT QUESTIONS ARE SUBMITTED TO THE VOTERS AT A STATEWIDE ELECTION TO BE HELD IN NOVEMBER OF ANY CALENDAR YEAR COMMENCING ON OR AFTER JANUARY 1, 2001, THAT SEEK AUTHORIZATION FOR THE STATE TO RETAIN AND SPEND ALL OR ANY PORTION OF THE AMOUNT OF EXCESS STATE REVENUES FOR THE STATE FISCAL YEAR ENDING DURING SAID CALENDAR YEAR, THE EXECUTIVE DIRECTOR SHALL NOT DETERMINE WHETHER THE SALES TAX RATE REDUCTION AUTHORIZED BY PARAGRAPH (a) OF THIS SUBSECTION (3) SHALL BE ALLOWED AND SHALL NOT PROMULGATE RULES CONTAINING SAID SALES TAX RATE REDUCTION UNTIL THE IMPACT OF THE RESULTS OF SAID ELECTION ON THE AMOUNT OF THE EXCESS STATE REVENUES TO BE REFUNDED IS ASCERTAINED.

(c) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT REDUCING THE RATE OF THE SALES TAX IMPOSED ON ANY SALE OF A NEW OR USED COMMERCIAL TRUCK, TRUCK TRACTOR, TRACTOR, SEMITRAILER, OR VEHICLE USED IN COMBINATION THEREWITH THAT HAS A GROSS VEHICLE WEIGHT RATING IN EXCESS OF TWENTY-SIX THOUSAND POUNDS IS A REASONABLE METHOD OF REFUNDING EXCESS STATE

REVENUES REQUIRED TO BE REFUNDED IN ACCORDANCE WITH SECTION 20 (7) (d) OF ARTICLE X OF THE STATE CONSTITUTION.

(d) ANY STATE SALES TAX RATE REDUCTION ALLOWED PURSUANT TO THIS SECTION SHALL BE PUBLISHED IN RULES PROMULGATED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S., AND SHALL BE INCLUDED IN SUCH NOTICES AND PUBLICATIONS AS ARE CUSTOMARILY ISSUED BY THE DEPARTMENT OF REVENUE ON AT LEAST A QUARTERLY BASIS CONCERNING EXEMPTIONS FROM THE STATE SALES AND USE TAX.

SECTION 4. 39-26-202 (1), Colorado Revised Statutes, is amended, and the said 39-26-202 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

39-26-202. Authorization of tax. (1) (a) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (b) OF THIS SUBSECTION (1) AND IN SUBSECTION (3) OF THIS SECTION, there is imposed and shall be collected from every person in this state a tax or excise at the rate of three percent of storage or acquisition charges or costs for the privilege of storing, using, or consuming in this state any articles of tangible personal property purchased at retail.

(b) ON AND AFTER JANUARY 1, 2001, THERE IS IMPOSED AND SHALL BE COLLECTED FROM EVERY PERSON IN THIS STATE A TAX OR EXCISE AT THE RATE OF TWO AND NINETY ONE-HUNDREDTHS PERCENT OF STORAGE OR ACQUISITION CHARGES OR COSTS FOR THE PRIVILEGE OF STORING, USING, OR CONSUMING IN THIS STATE ANY ARTICLES OF TANGIBLE PERSONAL PROPERTY PURCHASED AT RETAIL.

(c) Such tax shall be payable to and shall be collected by the executive director of the department of revenue and shall be computed in accordance with schedules or systems approved by said executive director. The transfer of wireless telecommunication equipment as an inducement to enter into or continue a contract for telecommunication services that are taxable pursuant to part 1 of this article shall not be construed to be storage, use, or consumption of such equipment by the transferror.

(3) (a) NOTWITHSTANDING THE RATE PROVISIONS OF PARAGRAPHS (a) AND (b) OF SUBSECTION (1) OF THIS SECTION, FOR ANY FISCAL YEAR COMMENCING ON OR AFTER JULY 1, 2000, IF THE REVENUE ESTIMATE PREPARED BY THE STAFF OF THE LEGISLATIVE COUNCIL IN JUNE OF THE CALENDAR YEAR IN WHICH THAT FISCAL YEAR ENDS INDICATES THAT THE AGGREGATE AMOUNT OF STATE REVENUES WILL EXCEED THE LIMITATION ON STATE FISCAL YEAR SPENDING IMPOSED BY SECTION 20 (7) (a) OF ARTICLE X OF THE STATE CONSTITUTION FOR THAT FISCAL YEAR BY THREE HUNDRED FIFTY MILLION DOLLARS OR MORE, AS ADJUSTED PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (3), AND VOTERS STATEWIDE EITHER HAVE NOT AUTHORIZED THE STATE TO RETAIN AND SPEND ALL OF THE EXCESS STATE REVENUES OR HAVE AUTHORIZED THE STATE TO RETAIN AND SPEND ONLY A PORTION OF THE EXCESS STATE REVENUES FOR THAT FISCAL YEAR, THE TAX IMPOSED PURSUANT TO SUBSECTION (1) OF THIS SECTION SHALL BE IMPOSED UPON ANY SALE OF A NEW OR USED COMMERCIAL TRUCK, TRUCK TRACTOR, TRACTOR, SEMITRAILER, OR VEHICLE USED IN COMBINATION THEREWITH THAT HAS A GROSS VEHICLE WEIGHT RATING IN EXCESS OF TWENTY-SIX THOUSAND POUNDS FOR THE PERIOD COMMENCING ON JULY 1 OF THE CALENDAR YEAR

IN WHICH THAT FISCAL YEAR ENDS THROUGH JUNE 30 OF THE IMMEDIATELY SUBSEQUENT CALENDAR YEAR, AT A RATE OF ONE ONE-HUNDREDTH OF ONE PERCENT.

(b) (I) NO LATER THAN OCTOBER 1 OF ANY GIVEN CALENDAR YEAR COMMENCING ON OR AFTER JANUARY 1, 2001, THE EXECUTIVE DIRECTOR SHALL ANNUALLY ADJUST THE DOLLAR AMOUNT SPECIFIED IN PARAGRAPH (a) OF THIS SUBSECTION (3) TO REFLECT THE RATE OF GROWTH OF COLORADO PERSONAL INCOME FOR THE CALENDAR YEAR IMMEDIATELY PRECEDING THE CALENDAR YEAR IN WHICH SUCH ADJUSTMENT IS MADE. FOR PURPOSES OF THIS SUBPARAGRAPH (I), "THE RATE OF GROWTH OF COLORADO PERSONAL INCOME" MEANS THE PERCENTAGE CHANGE BETWEEN THE MOST RECENT PUBLISHED ANNUAL ESTIMATE OF TOTAL PERSONAL INCOME FOR COLORADO, AS DEFINED AND OFFICIALLY REPORTED BY THE BUREAU OF ECONOMIC ANALYSIS IN THE UNITED STATES DEPARTMENT OF COMMERCE FOR THE CALENDAR YEAR IMMEDIATELY PRECEDING THE CALENDAR YEAR IN WHICH THE ADJUSTMENT IS MADE AND THE MOST RECENT PUBLISHED ANNUAL ESTIMATE OF TOTAL PERSONAL INCOME FOR COLORADO, AS DEFINED AND OFFICIALLY REPORTED BY THE BUREAU OF ECONOMIC ANALYSIS IN THE UNITED STATES DEPARTMENT OF COMMERCE FOR THE CALENDAR YEAR PRIOR TO THE CALENDAR YEAR IMMEDIATELY PRECEDING THE CALENDAR YEAR IN WHICH THE ADJUSTMENT IS MADE.

(II) UPON CALCULATING THE ADJUSTMENT OF SAID DOLLAR AMOUNT IN ACCORDANCE WITH SUBPARAGRAPH (I) OF THIS PARAGRAPH (b), THE EXECUTIVE DIRECTOR SHALL NOTIFY IN WRITING THE EXECUTIVE COMMITTEE OF THE LEGISLATIVE COUNCIL CREATED PURSUANT TO SECTION 2-3-301 (1), C.R.S., OF THE ADJUSTED DOLLAR AMOUNT AND THE BASIS FOR THE ADJUSTMENT. SUCH WRITTEN NOTIFICATION SHALL BE GIVEN WITHIN FIVE WORKING DAYS AFTER SUCH CALCULATION IS COMPLETED, BUT SUCH WRITTEN NOTIFICATION SHALL BE GIVEN NO LATER THAN OCTOBER 1 OF THE CALENDAR YEAR.

(III) IT IS THE FUNCTION OF THE EXECUTIVE COMMITTEE OF THE LEGISLATIVE COUNCIL TO REVIEW AND APPROVE OR DISAPPROVE SUCH ADJUSTMENT OF SAID DOLLAR AMOUNT WITHIN TWENTY DAYS AFTER RECEIPT OF SUCH WRITTEN NOTIFICATION FROM THE EXECUTIVE DIRECTOR. ANY ADJUSTMENT THAT IS NOT APPROVED OR DISAPPROVED BY THE EXECUTIVE COMMITTEE WITHIN SAID TWENTY DAYS SHALL BE AUTOMATICALLY APPROVED; EXCEPT THAT, IF WITHIN SAID TWENTY DAYS THE EXECUTIVE COMMITTEE SCHEDULES A HEARING ON SUCH ADJUSTMENT, SUCH AUTOMATIC APPROVAL SHALL NOT OCCUR UNLESS THE EXECUTIVE COMMITTEE DOES NOT APPROVE OR DISAPPROVE SUCH ADJUSTMENT AFTER THE CONCLUSION OF SUCH HEARING. ANY HEARING CONDUCTED BY THE EXECUTIVE COMMITTEE PURSUANT TO THIS SUBPARAGRAPH (III) SHALL BE CONCLUDED NO LATER THAN TWENTY-FIVE DAYS AFTER RECEIPT OF SUCH WRITTEN NOTIFICATION FROM THE EXECUTIVE DIRECTOR.

(IV) (A) IF THE EXECUTIVE COMMITTEE OF THE LEGISLATIVE COUNCIL DISAPPROVES ANY ADJUSTMENT OF SAID DOLLAR AMOUNT CALCULATED BY THE EXECUTIVE DIRECTOR PURSUANT TO THIS PARAGRAPH (b), THE EXECUTIVE COMMITTEE SHALL SPECIFY SUCH ADJUSTED DOLLAR AMOUNT TO BE UTILIZED BY THE EXECUTIVE DIRECTOR. ANY ADJUSTED DOLLAR AMOUNT SPECIFIED BY THE EXECUTIVE COMMITTEE PURSUANT TO THIS SUB-SUBPARAGRAPH (A) SHALL BE CALCULATED IN ACCORDANCE WITH THE PROVISIONS OF THIS PARAGRAPH (b).

(B) FOR THE PURPOSE OF DETERMINING WHETHER THE USE TAX RATE REDUCTION AUTHORIZED BY PARAGRAPH (a) OF THIS SUBSECTION (3) IS TO BE ALLOWED FOR ANY GIVEN INCOME TAX YEAR, THE EXECUTIVE DIRECTOR SHALL NOT UTILIZE ANY ADJUSTED DOLLAR AMOUNT THAT HAS NOT BEEN APPROVED PURSUANT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH (b) OR OTHERWISE SPECIFIED PURSUANT TO SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (IV).

(V) IF ONE OR MORE BALLOT QUESTIONS ARE SUBMITTED TO THE VOTERS AT A STATEWIDE ELECTION TO BE HELD IN NOVEMBER OF ANY CALENDAR YEAR COMMENCING ON OR AFTER JANUARY 1, 2001, THAT SEEK AUTHORIZATION FOR THE STATE TO RETAIN AND SPEND ALL OR ANY PORTION OF THE AMOUNT OF EXCESS STATE REVENUES FOR THE STATE FISCAL YEAR ENDING DURING SAID CALENDAR YEAR, THE EXECUTIVE DIRECTOR SHALL NOT DETERMINE WHETHER THE USE TAX RATE REDUCTION AUTHORIZED BY PARAGRAPH (a) OF THIS SUBSECTION (3) SHALL BE ALLOWED AND SHALL NOT PROMULGATE RULES CONTAINING SAID USE TAX RATE REDUCTION UNTIL THE IMPACT OF THE RESULTS OF SAID ELECTION ON THE AMOUNT OF THE EXCESS STATE REVENUES TO BE REFUNDED IS ASCERTAINED.

(c) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT REDUCING THE RATE OF THE USE TAX IMPOSED ON THE STORAGE, USE, OR CONSUMPTION OF A NEW OR USED COMMERCIAL TRUCK, TRUCK TRACTOR, TRACTOR, SEMITRAILER, OR VEHICLE USED IN COMBINATION THEREWITH THAT HAS A GROSS VEHICLE WEIGHT RATING IN EXCESS OF TWENTY-SIX THOUSAND POUNDS IS A REASONABLE METHOD OF REFUNDING EXCESS STATE REVENUES REQUIRED TO BE REFUNDED IN ACCORDANCE WITH SECTION 20 (7) (d) OF ARTICLE X OF THE STATE CONSTITUTION.

(d) ANY STATE USE TAX RATE REDUCTION ALLOWED PURSUANT TO THIS SECTION SHALL BE PUBLISHED IN RULES PROMULGATED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S., AND SHALL BE INCLUDED IN SUCH NOTICES AND PUBLICATIONS AS ARE CUSTOMARILY ISSUED BY THE DEPARTMENT OF REVENUE ON AT LEAST A QUARTERLY BASIS CONCERNING EXEMPTIONS FROM THE STATE SALES AND USE TAX.

SECTION 5. 39-26-123 (2) (a) (I) (A), Colorado Revised Statutes, is amended, and the said (2) (a) (I) is further amended BY THE ADDITION OF A NEW SUB-SUBPARAGRAPH, to read:

39-26-123. Receipts - disposition. (2) (a) (I) (A) Eighty-five percent of all receipts collected under the provisions of this article shall be credited to the old age pension fund. For the fiscal year commencing July 1, 1997, and for each fiscal year thereafter, the remaining fifteen percent shall be allocated between and credited to the general fund and the highway users tax fund, as a portion of the sales and use taxes attributable to sales or use of vehicles and related items, as follows: EXCEPT AS OTHERWISE PROVIDED IN SUB-SUBPARAGRAPH (A.8) OF THIS SUBPARAGRAPH (I), ten percent of net revenue from sales and use tax to the highway users tax fund and five percent thereof to the general fund.

(A.8) ON AND AFTER FEBRUARY 1, 2001, UP TO AND INCLUDING JUNE 30, 2001, AND FOR FISCAL YEARS BEGINNING ON AND AFTER JULY 1, 2001, THE ALLOCATION OF RECEIPTS UNDER SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (I) TO THE HIGHWAY USERS TAX FUND SHALL BE INCREASED BY THIRTY-FOUR ONE-HUNDREDTHS

OF A PERCENTAGE POINT, AND THE ALLOCATION TO THE GENERAL FUND SHALL BE DECREASED BY THIRTY-FOUR ONE-HUNDREDTHS OF A PERCENTAGE POINT, PURSUANT TO HOUSE BILL 00-1259, ENACTED AT THE SECOND REGULAR SESSION OF THE SIXTY-SECOND GENERAL ASSEMBLY. THE MODIFICATIONS TO THE ALLOCATION OF RECEIPTS MADE PURSUANT TO THIS SUB-SUBPARAGRAPH (A.8) SHALL BE IN ADDITION TO ANY OTHER MODIFICATIONS TO THE ALLOCATION OF SUCH RECEIPTS MADE BY LAW.

SECTION 6. Appropriation - adjustment in 2000 long bill. (1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the general fund not otherwise appropriated, to the department of revenue, for the fiscal year beginning July 1, 2000, the sum of fifty thousand four hundred fifty-nine dollars (\$50,459) and 0.6 FTE, or so much thereof as may be necessary, for the implementation of this act.

(2) For the implementation of this act, appropriations made in the annual general appropriations act for the fiscal year beginning July 1, 2000, shall be adjusted as follows:

(a) The general fund appropriation to the capital construction fund outlined in section 3 (1) (f) is reduced by fifty thousand four hundred fifty-nine dollars (\$50,459).

(b) The capital construction fund exempt appropriation to the department of transportation, construction projects, is reduced by fifty thousand four hundred fifty-nine dollars (\$50,459).

SECTION 7. 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: May 31, 2000