CHAPTER 109

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TAXATION

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HOUSE BILL 04-1356

BY REPRESENTATIVE(S) Smith, Hodge, McFadyen, and Rippy;
also SENATOR(S) Kester.

AN ACT

**CONCERNING AN INCREASE IN THE AMOUNT OF INCOME THAT AN OWNER OF CERTAIN TAX EXEMPT
PROPERTY MAY EARN FROM THE RENTAL OF THE PROPERTY.**

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

SECTION 1. 39-3-106.5 (2) (b), Colorado Revised Statutes, is amended to read:

39-3-106.5. Tax-exempt property - incidental use - exemption - limitations.
(2) Except as otherwise provided in section 39-3-108 (3), if any property, real or
personal, which is otherwise exempt from the levy and collection of property tax
pursuant to the provisions of sections 39-3-107 to 39-3-113, is used on an occasional,
noncontinuous basis for any purpose other than the purposes specified in sections
39-3-106 to 39-3-113, such property shall be exempt from the levy and collection of
property tax if:

(b) The use of the property for such purposes results in less than ~~ten~~ TWENTY-FIVE
thousand dollars of gross rental income to the owner of such property.

SECTION 2. Applicability. This act shall apply to property tax years
commencing on or after January 1, 2005.

SECTION 3. Effective date. This act shall take effect at 12:01 a.m. on the day
following the expiration of the ninety-day period after final adjournment of the
general assembly that is allowed for submitting a referendum petition pursuant to
article V, section 1 (3) of the state constitution (August 4, 2004, if adjournment sine

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

die is on May 5, 2004); except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: April 7, 2004