

CHAPTER 3

TAXATION

SENATE BILL 09-212

BY SENATOR(S) White, Keller, Tapia;
also REPRESENTATIVE(S) Pommer, Ferrandino, Marostica, Labuda.

AN ACT

CONCERNING A TEMPORARY LIMITATION ON THE MAXIMUM AMOUNT OF STATE SALES AND USE TAX REVENUES THAT MAY BE RETAINED BY A RETAIL VENDOR TO COMPENSATE FOR THE VENDOR'S EXPENSES INCURRED IN THE COLLECTION AND REMITTANCE OF THE TAX REVENUES TO THE STATE, AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

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

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

39-26-105. Vendor liable for tax - repeal. (1) (f) (I) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, THE AMOUNT RETAINED BY A VENDOR THAT IS NOT ALLOWED TO FILE ON A LESS FREQUENT BASIS THAN MONTHLY PURSUANT TO SECTION 39-26-109 TO COVER THE VENDOR'S EXPENSE IN COLLECTING AND REMITTING TAX PURSUANT TO THIS SECTION SHALL NOT EXCEED AN AMOUNT EQUAL TO ONE AND THIRTY-FIVE ONE-HUNDREDTHS PERCENT OF ALL SALES TAX REPORTED ON ANY RETURN MADE ON OR AFTER MARCH 1, 2009, BUT PRIOR TO DECEMBER 31, 2011. FOR ANY RETURN MADE PRIOR TO APRIL 1, 2009, A VENDOR SHALL NOT BE LIABLE FOR ANY INTEREST OR OTHER PENALTY IMPOSED AS A RESULT OF AN ERROR MADE IN CONNECTION WITH THE IMPOSITION OF A MAXIMUM AMOUNT OF SALES TAX REVENUES THAT MAY BE RETAINED IN ACCORDANCE WITH THE PROVISIONS OF THIS SUBPARAGRAPH (I).

(II) THIS PARAGRAPH (f) IS REPEALED, EFFECTIVE DECEMBER 31, 2013.

SECTION 2. 39-26-106 (2) (a), Colorado Revised Statutes, is amended to read:

39-26-106. Schedule of sales tax. (2) (a) Except as provided in paragraph (b) of this subsection (2), retailers shall add the tax imposed, or the average equivalent

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

thereof, to the sale price or charge, showing such tax as a separate and distinct item, and when added such tax shall constitute a part of such price or charge and shall be a debt from the consumer or user to the retailer until paid and shall be recoverable at law in the same manner as other debts. The retailer shall be entitled, as collecting agent of the state, to apply and credit the amount of the retailer's collections against the rate to be paid by the retailer under the provisions of section 39-26-105, remitting any excess of collections over said rate, less the ~~three and one-third percent collection expense allowance for sales occurring prior to July 1, 2003, or on or after July 1, 2005, and less the two and one-third percent collection expense allowance for sales occurring on or after July 1, 2003, but before July 1, 2005~~ FEE RETAINED BY THE RETAILER FOR THE COLLECTION AND REMITTANCE OF THE TAX PURSUANT TO SAID SECTION, to the executive director of the department of revenue in the retailer's next monthly sales tax return.

SECTION 3. Appropriation. In addition to any other appropriation, there is hereby appropriated, to the department of revenue, for the fiscal year beginning July 1, 2008, the sum of one hundred forty thousand two hundred seven dollars (\$140,207) and 1.2 FTE, or so much thereof as may be necessary, for the implementation of this act. Of said sum, one hundred thirty-nine thousand eight hundred ninety-eight dollars (\$139,898) shall be from the general fund, and three hundred nine dollars (\$309) shall be from the Colorado state titling and registration account created in section 42-1-211 (2), Colorado Revised Statutes.

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: February 26, 2009