

## CHAPTER 55

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**TAXATION**

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**HOUSE BILL 15-1012**

BY REPRESENTATIVE(S) Becker J., Brown, Coram, Fields, Mitsch Bush, Van Winkle;  
also SENATOR(S) Sonnenberg, Baumgardner, Crowder, Grantham, Lundberg, Neville T., Scott, Woods.

**AN ACT****CONCERNING A SALES AND USE TAX EXEMPTION FOR DYED DIESEL.**

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

**SECTION 1. Legislative declaration.** (1) The general assembly finds and declares that:

(a) Under current law, most sales and uses of dyed diesel fuel are exempt from the state sales and use tax;

(b) In a limited number of circumstances, dyed diesel is used in a manner for which it is not exempt from the state sales and use tax; for example, if it is used to power a hospital generator or a semitrailer's cabin auxiliary power unit;

(c) These nonexempt uses generate an insignificant amount of revenue; and

(d) The different tax treatment of dyed diesel based on its use creates an administrative burden for retailers.

(2) Now, therefore, the general assembly declares that the intended purpose of the tax exemption created in this act is to streamline the collection of sales and use taxes by treating all dyed diesel the same.

**SECTION 2.** In Colorado Revised Statutes, 39-26-715, **amend** (1) (a) introductory portion and (2) introductory portion; and **add** (1) (a) (III), (2) (d), and (4) as follows:

**39-26-715. Fuel and oil - definitions.** (1)(a) The following ~~shall be~~ ARE exempt

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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.*

from taxation under the provisions of part 1 of this article:

(III) ALL SALES OF DYED DIESEL.

(2) The following ~~shall be~~ ARE exempt from taxation under the provisions of part 2 of this article:

(d) THE STORAGE, USE, OR CONSUMPTION OF DYED DIESEL.

(4) AS USED IN THIS SECTION, "DYED DIESEL" HAS THE SAME MEANING AS SET FORTH IN SECTION 39-27-101 (8).

**SECTION 3. 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: March 26, 2015