

SB133_L.005

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Business Affairs & Labor.

SB26-133 be amended as follows:

1 Amend reengrossed bill, page 9, lines 9 and 10, strike "COMPANY AS
2 PROVIDED IN SECTION 7-80-1219;" and substitute "COMPANY;".

3 Page 26, strike lines 25 through 27.

4 Page 27, strike lines 1 and 2.

5 Renumber succeeding C.R.S. sections accordingly.

6 Page 27, line 23, strike "UPON" and substitute "EXCEPT AS IS NECESSARY
7 TO COMPLY WITH APPLICABLE FEDERAL INCOME TAX LAW, INCLUDING
8 SECTION 704 AND OTHER APPLICABLE PROVISIONS OF SUBCHAPTER K OF
9 THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, UPON".

10 Page 28, line 3, after "TERMINATES." insert "THE OPERATING AGREEMENT
11 OF ANY ARTIST COMPANY TREATED AS A PARTNERSHIP FOR FEDERAL
12 INCOME TAX PURPOSES MUST INCLUDE ALLOCATION, DISTRIBUTION,
13 VALUATION, CAPITAL ACCOUNT, AND OTHER ECONOMIC PROVISIONS
14 REASONABLY DESIGNED, TO THE EXTENT PERMITTED BY APPLICABLE
15 FEDERAL INCOME TAX LAW, TO FACILITATE THE REVERSION OF ARTISTIC
16 WORK TO THE ARTIST-MEMBERS UNDER THIS SUBSECTION (2)(a)(I),
17 INCLUDING PROVISIONS GOVERNING THE DISTRIBUTION OF CASH AND
18 OTHER PROPERTY OTHER THAN ARTISTIC WORK; THE ALLOCATION OF
19 ITEMS OF INCOME, GAIN, LOSS, DEDUCTION, AND CREDIT; AND THE
20 PRESERVATION OR SATISFACTION OF CONTINUING ECONOMIC RIGHTS WITH
21 RESPECT TO REVERTED ARTISTIC WORK."

22 Page 28, line 17, strike "THE" and substitute "EXCEPT AS IS NECESSARY
23 TO COMPLY WITH APPLICABLE FEDERAL INCOME TAX LAW, INCLUDING
24 SECTION 704 AND OTHER APPLICABLE PROVISIONS OF SUBCHAPTER K OF
25 THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, THE".

26 Page 29, strike lines 2 through 4 and substitute:

27 "(III) CONTINUING ROYALTY SHARING, REVENUE PARTICIPATION
28 OBLIGATIONS, RECOUPMENT PROVISIONS, RETURN OF CAPITAL, OR OTHER
29 ECONOMIC OBLIGATIONS SPECIFIED IN THE ARTICLES OF ORGANIZATION OR
30 OPERATING AGREEMENT OF THE ARTIST COMPANY."

31 Strike "7-80-1222" and substitute "7-80-1221" on: **Page 17**, lines 9 and
32 23; **Page 18**, line 26; **Page 19**, lines 7 and 27; and **Page 26**, lines 11 and
33 20.

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