

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

REREVISED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 16-0492.01 Nicole Myers x4326

HOUSE BILL 16-1119

HOUSE SPONSORSHIP

Thurlow, Becker K.

SENATE SPONSORSHIP

Holbert,

House Committees
Business Affairs and Labor

Senate Committees
Finance

A BILL FOR AN ACT

101 **CONCERNING A MODIFICATION TO THE NUMBER OF DAYS THAT AN**
102 **AIRCRAFT MAY REMAIN IN THE STATE AFTER IT IS PURCHASED**
103 **FOR PURPOSES OF THE SALES AND USE TAX EXEMPTION ON THE**
104 **PURCHASE OF CERTAIN AIRCRAFT.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsumaries>.)

Currently, the sale of a new or used aircraft that is purchased by a person who is not a resident of the state and the sale of a new or used aircraft that is purchased for use by an on-demand carrier (aircraft),

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

SENATE
3rd Reading Unamended
March 7, 2016

SENATE
2nd Reading Unamended
March 4, 2016

HOUSE
3rd Reading Unamended
February 9, 2016

HOUSE
2nd Reading Unamended
February 8, 2016

regardless of whether the purchaser is a resident of the state, are exempt from sales and use tax if certain criteria are satisfied.

One of the criteria to qualify for the sales and use tax exemption is that the aircraft will be removed from the state within 120 days after the date of the sale. The bill modifies this criteria and requires that the aircraft be removed from the state within 120 days after the date of the sale or within 30 days after the completion of certain work on the aircraft that is associated with the sale of the aircraft, whichever is longer.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-26-711.5, **amend**
3 (1) (b) as follows:

4 **39-26-711.5. Aircraft - use outside state.** (1) The sale of a new
5 or used aircraft shall be exempt from taxation under the provisions of part
6 1 of this article if:

7 (b) The aircraft will be removed from the state within THE LONGER
8 OF THE FOLLOWING PERIODS:

- 9 (I) One hundred twenty days after the date of the sale; ~~and~~ OR
10 (II) THIRTY DAYS AFTER THE COMPLETION OF MAINTENANCE,
11 INTERIOR REFURBISHMENT, PAINT, OR ENGINE WORK ASSOCIATED WITH
12 THE SALE OF THE AIRCRAFT; AND

13 **SECTION 2.** In Colorado Revised Statutes, 39-26-711.8, **amend**
14 (1) (c) as follows:

15 **39-26-711.8. Aircraft - use outside state - on-demand air**
16 **carriers.** (1) Notwithstanding section 39-26-711.5, on and after July 1,
17 2014, but prior to July 1, 2019, the sale of a new or used aircraft shall be
18 exempt from taxation under the provisions of part 1 and part 2 of this
19 article if:

20 (c) The aircraft will be removed from the state within THE LONGER
21 OF THE FOLLOWING PERIODS:

1 (I) One hundred twenty days after the date of the sale; ~~and~~ OR
2 (II) THIRTY DAYS AFTER THE COMPLETION OF MAINTENANCE,
3 INTERIOR REFURBISHMENT, PAINT, OR ENGINE WORK ASSOCIATED WITH
4 THE SALE OF THE AIRCRAFT; AND

5 **SECTION 3. Applicability.** This act applies to aircraft sold on
6 or after July 1, 2016.

7 **SECTION 4. Safety clause.** The general assembly hereby finds,
8 determines, and declares that this act is necessary for the immediate
9 preservation of the public peace, health, and safety.