

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 19-0803.01 Jason Gelender x4330

HOUSE BILL 19-1162

HOUSE SPONSORSHIP

Pelton, Borkenfeld

SENATE SPONSORSHIP

(None),

House Committees

Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE EXTENSION OF THE STATE SALES AND USE TAX**
102 **EXEMPTION FOR FARM EQUIPMENT TO EQUIPMENT AND SYSTEMS**
103 **USED BY A FARM OPERATION TO IDENTIFY OR TRACK FOOD**
104 **ANIMALS.**

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://leg.colorado.gov>.)

Current law exempts cow identification systems and transponders used by a farm dairy to identify and track dairy cows from the state sales and use tax but does not otherwise exempt any equipment or systems used

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

by a farm operation to identify or track food animals. By amending the statutory definition of "farm equipment", the bill extends the existing state sales and use tax exemption to include equipment and systems used by a farm operation to identify or track food animals, including animals used for food or in the production of food. As per current law, the extension of the exemption only applies to a county or municipal sales tax if the county or municipality has already included the exemption for farm equipment in its sales tax ordinance or amends the ordinance to do so in the future.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-26-716, **amend**
3 (1)(d) introductory portion as follows:

4 **39-26-716. Agriculture and livestock - special fuels -**
5 **definitions.** (1) For purposes of this section, unless the context otherwise
6 requires:

7 (d) "Farm equipment" means any farm tractor, as defined in
8 section 42-1-102 (33), ~~C.R.S.~~; any implement of husbandry, as defined in
9 section 42-1-102 (44), ~~C.R.S.~~; and irrigation equipment having a per unit
10 purchase price of at least one thousand dollars. "Farm equipment" also
11 includes, regardless of purchase price, attachments and bailing wire,
12 binders twine, and surface wrap used primarily and directly in any farm
13 operation. On and after July 1, 2000, "farm equipment" also includes,
14 regardless of purchase price, parts that are used in the repair or
15 maintenance of the farm equipment described in this ~~paragraph~~ (d)
16 SUBSECTION (1)(d), all shipping pallets, crates, or aids paid for by a farm
17 operation, and aircraft designed or adapted to undertake agricultural
18 applications. On and after July 1, 2001, "farm equipment" also includes,
19 regardless of purchase price, dairy equipment. ON AND AFTER JULY 1,
20 2019, "FARM EQUIPMENT" ALSO INCLUDES, REGARDLESS OF PURCHASE
21 PRICE, ANY IDENTIFICATION OR TRACKING EQUIPMENT OR SYSTEMS USED

1 BY A FARM OPERATION TO IDENTIFY OR TRACK FOOD ANIMALS, INCLUDING
2 ANIMALS USED FOR FOOD OR IN THE PRODUCTION OF FOOD. Except for
3 shipping pallets, crates, or aids used in the transfer or shipping of
4 agricultural products, "farm equipment" does not include:

5 **SECTION 2. Safety clause.** The general assembly hereby finds,
6 determines, and declares that this act is necessary for the immediate
7 preservation of the public peace, health, and safety.