

CHAPTER 231

MOTOR VEHICLES AND TRAFFIC REGULATION

HOUSE BILL 19-1138

BY REPRESENTATIVE(S) Williams D. and Melton, Humphrey, Baisley, Bockenfeld, Carver, Exum, Herod, Hooton, Lewis, Neville, Ransom, Saine, Singer, Snyder, Soper, Titone, Van Winkle, Will, Beckman, McKean, Sandridge, Valdez A.; also SENATOR(S) Williams A. and Priola, Bridges, Court, Marble, Moreno, Sonnenberg, Tate, Todd, Winter, Woodward.

AN ACT

CONCERNING THE CREDIT AN OWNER OF A VEHICLE MAY RECEIVE FOR FEES PAID TO REGISTER A MOTOR VEHICLE WHEN THE VEHICLE IS SOLD BEFORE THE REGISTRATION EXPIRES, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, 42-3-107, **amend** (25) as follows:

42-3-107. Taxable value of classes of property - rate of tax - when and where payable - department duties - apportionment of tax collections - definitions - rules - repeal. (25) (a) (I) EXCEPT AS PROVIDED IN SUBSECTION (25)(b) OF THIS SECTION, THE DEPARTMENT SHALL ALLOW a credit ~~shall be allowed~~ for taxes, SURCHARGES, AND REGISTRATION FEES paid on any item of Class A, Class B, Class C, Class D, or Class F personal property if the owner disposes of the vehicle during the registration period or if the owner converts the vehicle from any class of personal property to Class F property. The credit may apply to payments of taxes, SURCHARGES, AND REGISTRATION FEES on a subsequent application by the owner for registration of an item of Class A, Class B, Class C, Class D, or Class F personal property made during the registration period, or THE CREDIT may be assigned by the owner to the transferee of the property for which taxes, SURCHARGES, OR REGISTRATION FEES were paid; except that, when the transferee is a dealer in new or used vehicles, the transferee shall account to the owner for any assignment of the credit.

(II) The credit ~~shall be~~ AUTHORIZED BY THIS SUBSECTION (25)(a) IS prorated based on the number of months remaining in the registration period after the transfer, ~~and~~ CONVERSION TO CLASS F PERSONAL PROPERTY, OR disposal of the vehicle. The PRORATION calculation for the credit ~~shall be determined by using the~~

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~~period beginning~~ BEGINS with the first day of the month following the date of AFTER THE transfer, through CONVERSION TO CLASS F PERSONAL PROPERTY, OR DISPOSAL AND ENDS the last day of the month for the period for which the vehicle was registered.

(III) ~~Specific ownership tax~~ THE credit ~~will be~~ IS allowed only if the total ownership tax, SURCHARGE, AND REGISTRATION FEE credit due exceeds ten dollars.

(b) THE CREDIT AUTHORIZED IN SUBSECTION (25)(a) OF THIS SECTION DOES NOT APPLY TO FEES IMPOSED IN SECTIONS 42-3-301, 42-3-304(5), (6), (7), (19), AND (22), 42-3-312, AND 42-3-313.

SECTION 2. In Colorado Revised Statutes, 42-3-115, **repeal** (1) as follows:

~~42-3-115. Registration upon transfer. (1) Whenever the owner of a motor vehicle registered under this article transfers or assigns the owner's title or interest, the registration of such vehicle shall expire, and such owner shall remove the number plates. The owner, upon applying for registration in such owner's name during the same registration period of another motor vehicle, may receive credit upon the fees due for such new registration for such portion of the fees paid for the cancelled registration as the department may determine to be proper and proportionate to the unexpired part of the original term of registration. A transfer fee of one dollar shall be paid in all cases.~~

SECTION 3. Appropriation. For the 2019-20 state fiscal year, \$7,200 is appropriated to the department of revenue for use by the division of motor vehicles. This appropriation is from the Colorado DRIVES vehicle services account in the highway users tax fund created in section 42-1-211 (2)(b)(I), C.R.S. To implement this act, the division may use this appropriation for DRIVES maintenance and support.

SECTION 4. Act subject to petition - effective date - applicability. (1) This act takes effect January 1, 2020; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within the ninety-day period after final adjournment of the general assembly, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2020 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) This act applies to taxes, surcharges, or fees due on or after the applicable effective date of this act.

Approved: May 20, 2019