

## CHAPTER 75

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**TAXATION**

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**SENATE BILL 21-130**

BY SENATOR(S) Holbert and Pettersen, Cooke, Coram, Danielson, Gardner, Gonzales, Hisey, Kirkmeyer, Liston, Lundeen, Priola, Rankin, Scott, Simpson, Smallwood, Sonnenberg, Winter, Woodward, Zenzinger, Garcia;  
also REPRESENTATIVE(S) Van Winkle and Bird, Baisley, Exum, Geitner, Kipp, McCluskie, McLachlan, Michaelson Jenet, Neville, Ortiz, Pico, Rich, Ricks, Sandridge, Snyder, Titone, Van Beber, Williams, Young.

**AN ACT****CONCERNING AUTHORIZATION FOR LOCAL GOVERNMENTS TO EXEMPT BUSINESS PERSONAL PROPERTY FROM TAXATION.**

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

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

(a) Due to the COVID-19 pandemic, Colorado lost an estimated 148,800 jobs in 2020;

(b) Experts are predicting that it could be several years before the Colorado economy has fully rebounded from the effects of the pandemic;

(c) It is imperative that Colorado businesses are provided relief so they can continue their operations and retain their employees;

(d) The flexibility for local governments to exempt business personal property would provide much needed assistance to Colorado businesses that have been impacted by COVID-19 restrictions and attract new business to a local government's jurisdiction; and

(e) House Bill 12-1029, enacted in 2012, which also gave local governments the flexibility to offer incentives related to business personal property to taxpayers during times of financial difficulty for Coloradans, passed with bipartisan support and did not require backfilling or diminishing school district funds.

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*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

(2) Therefore, the general assembly should encourage and authorize local governments to provide an exemption for business personal property tax that would otherwise be collected during the 2022 calendar year.

**SECTION 2.** In Colorado Revised Statutes, **amend** 39-3-118.5 as follows:

**39-3-118.5. Business personal property - exemption - exemption authority for local governments.** (1) For property tax years commencing on and after January 1, 1996, business personal property shall be exempt from the levy and collection of property tax until such business personal property is first used in the business after acquisition.

(2) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1, 2021, ANY COUNTY, MUNICIPALITY, OR SPECIAL DISTRICT MAY EXEMPT FROM ITS LEVY AND COLLECTION OF PROPERTY TAX UP TO ONE HUNDRED PERCENT OF ANY BUSINESS PERSONAL PROPERTY.

**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, or safety.

Approved: April 29, 2021