

CHAPTER 109

TAXATION

HOUSE BILL 21-1155

BY REPRESENTATIVE(S) Arndt and Pico, Lynch, Valdez D., Duran, Ortiz, Snyder;
also SENATOR(S) Zenzinger and Woodward, Kirkmeyer, Moreno.

AN ACT

**CONCERNING MODIFICATIONS TO THE SALES AND USE TAX STATUTES IN ORDER TO ADDRESS
CERTAIN DEFECTS AND ANACHRONISMS.**

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

SECTION 1. In Colorado Revised Statutes, **amend** 39-26-720 as follows:

39-26-720. Bingo equipment. (1) All sales of equipment, as defined in ~~section 12-9-102(5), C.R.S.~~ SECTION 24-21-602 (16), to a bingo-raffle licensee, as defined in ~~section 12-9-102(1.2), C.R.S., shall be~~ SECTION 24-21-602 (3), ARE exempt from taxation under part 1 of this ~~article~~ ARTICLE 26.

(2) The storage, use, or consumption of equipment, as defined in ~~section 12-9-102(5), C.R.S.~~ SECTION 24-21-602 (16), by a bingo-raffle licensee, as defined in ~~section 12-9-102(1.2), C.R.S., shall be~~ SECTION 24-21-602 (3), IS exempt from taxation under part 2 of this ~~article~~ ARTICLE 26.

SECTION 2. In Colorado Revised Statutes, 29-2-105, **amend** (1)(d)(I)(G) as follows:

29-2-105. Contents of sales tax ordinances and proposals. (1) The sales tax ordinance or proposal of any incorporated town, city, or county adopted pursuant to this article 2 shall be imposed on the sale of tangible personal property at retail or the furnishing of services, as provided in subsection (1)(d) of this section. Any countywide or incorporated town or city sales tax ordinance or proposal shall include the following provisions:

(d) (I) A provision that the sale of tangible personal property and services taxable pursuant to this article 2 shall be the same as the sale of tangible personal property

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.

and services taxable pursuant to section 39-26-104, except as otherwise provided in this subsection (1)(d). The sale of tangible personal property and services taxable pursuant to this article 2 shall be subject to the same sales tax exemptions as those specified in part 7 of article 26 of title 39; except that the sale of the following may be exempted from a town, city, or county sales tax only by the express inclusion of the exemption either at the time of adoption of the initial sales tax ordinance or resolution or by amendment thereto:

(G) The exemption for sales of ~~low-emitting~~ motor vehicles, power sources, or parts used for converting such power sources as specified in section 39-26-719 (1); ~~C.R.S.~~;

SECTION 3. In Colorado Revised Statutes, **amend** 39-26-204.5 as follows:

39-26-204.5. Remittance of tax - electronic database - retailer held harmless - repeal. (1) (a) The provisions of section 39-26-105.3 allowing vendors to be held harmless for collecting the incorrect amount of tax due on a purchase when relying on a certified database to determine the jurisdictions to which tax is owed shall apply to any retailer doing business in this state and making sales of tangible personal property for storage, use, or consumption in the state that collects and remits use tax to the department of revenue as provided by law.

(b) THIS SUBSECTION (1) IS REPEALED, EFFECTIVE NINETY DAYS AFTER THE DATE THAT THE REVISOR OF STATUTES IS NOTIFIED BY THE DEPARTMENT OF REVENUE THAT A GEOGRAPHIC INFORMATION SYSTEM THAT MEETS THE DEFINED SCOPE OF WORK SET FORTH IN THE REQUEST FOR SOLICITATION, PROVIDED BY THE STATE, IS ONLINE, TESTED, AND VERIFIED BY THE DEPARTMENT OF REVENUE TO BE OPERATIONAL, SUPPORTED, AND AVAILABLE FOR A RETAILER TO USE TO DETERMINE THE TAXING JURISDICTION IN WHICH AN ADDRESS RESIDES. THE DEPARTMENT OF REVENUE SHALL NOTIFY THE REVISOR OF STATUTES IN WRITING, BY EMAIL TO REVISOROFSTATUTES.GA@STATE.CO.US, NO LATER THAN FIFTEEN DAYS AFTER SUCH A SYSTEM IS ONLINE, TESTED, AND VERIFIED BY THE DEPARTMENT OF REVENUE TO BE OPERATIONAL, SUPPORTED, AND AVAILABLE FOR USE.

(2) THE PROVISIONS OF SECTION 39-26-105.2 ALLOWING VENDORS TO BE HELD HARMLESS FOR COLLECTING THE INCORRECT AMOUNT OF TAX DUE ON A PURCHASE WHEN USING THE DATA CONTAINED IN THE GIS DATABASE, OR USING DATA FROM A THIRD-PARTY DATABASE THAT IS VERIFIED TO USE THE MOST RECENT INFORMATION PROVIDED BY THE GIS DATABASE, TO DETERMINE THE JURISDICTIONS TO WHICH TAX IS OWED APPLIES TO ANY RETAILER DOING BUSINESS IN THIS STATE AND MAKING SALES OF TANGIBLE PERSONAL PROPERTY FOR STORAGE, USE, OR CONSUMPTION IN THE STATE THAT COLLECTS AND REMITS USE TAX TO THE DEPARTMENT OF REVENUE AS PROVIDED BY LAW.

SECTION 4. In Colorado Revised Statutes, **repeal** 39-26-110 as follows:

39-26-110. Retailer - multiple locations. ~~A retailer doing business in two or more places or locations, taxable under this part 1, may file each return covering all such business activities engaged within this state.~~

SECTION 5. In Colorado Revised Statutes, 39-26-707, **amend** (1) introductory

portion and (1)(a) as follows:

39-26-707. Food, meals, beverages, and packaging - definitions. (1) The following shall be exempt from taxation under the provisions of part 1 of this ~~article~~ ARTICLE 26:

(a) All sales of food purchased with food stamps. For the purposes of this ~~paragraph (a)~~ SUBSECTION (1)(a), "food" ~~shall have~~ HAS the same meaning as provided in ~~7 U.S.C. sec. 2012 (g)~~ IN 7 U.S.C. SEC. 2012, as such section exists on October 1, 1987, or is thereafter amended.

SECTION 6. 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: May 7, 2021