

Second Extraordinary Session
Seventy-fourth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 24B-0005.01 Alison Killen x4350

HOUSE BILL 24B-1003

HOUSE SPONSORSHIP

Soper and Joseph,

SENATE SPONSORSHIP

Priola,

House Committees
Appropriations

Senate Committees

A BILL FOR AN ACT

101 CONCERNING PROPERTY TAX RELIEF FOR BUSINESSES, AND, IN
102 CONNECTION THEREWITH, EXPANDING AND EXTENDING THE
103 EXEMPTION FOR AGRICULTURAL EQUIPMENT AND MACHINERY
104 USED IN CONTROLLED AGRICULTURAL FACILITIES.

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>.)

The bill clarifies certain definitions and modifies the personal property tax exemption for agricultural equipment to expand opportunities for tax relief for certain business personal property.

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

Section 1 of the bill clarifies that personal property used in direct connection with the operation of a greenhouse is included in the definition of agricultural equipment used in a controlled environment agricultural (CEA) facility and is thus exempt pursuant to the exemption for such agricultural equipment, which is permanently extended beyond its current expiration after the 2029 property tax year in **section 2**.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-1-102, **amend**
3 (1.3)(b)(II) and (1.3)(b)(III); and **add** (1.3)(b)(IV) as follows:

4 **39-1-102. Definitions.** As used in articles 1 to 13 of this title 39,
5 unless the context otherwise requires:

6 (1.3) "Agricultural equipment that is used on the farm or ranch or
7 in a CEA facility in the production of agricultural products":

8 (b) Includes:

9 (II) Silviculture personal property that is designed, adapted, and
10 used for the planting, growing, maintenance, or harvesting of trees in a
11 raw or unprocessed state; ~~and~~

12 (III) Any personal property within a facility, whether attached to
13 a building or not, that is capable of being removed from the facility, and
14 is used in direct connection with the operation of a controlled
15 environment agricultural facility, which facility is used solely for
16 planting, growing, or harvesting crops in a raw or unprocessed state; AND

17 (IV) ANY PERSONAL PROPERTY WITHIN A GREENHOUSE, WHETHER
18 ATTACHED TO THE GREENHOUSE OR NOT, THAT IS CAPABLE OF BEING
19 REMOVED FROM THE GREENHOUSE AND IS USED IN DIRECT CONNECTION
20 WITH THE OPERATION OF A GREENHOUSE, WHICH GREENHOUSE IS USED
21 SOLELY FOR PLANTING OR GROWING CROPS IN A RAW OR UNPROCESSED
22 STATE.

1 **SECTION 2.** In Colorado Revised Statutes, 39-3-122, **amend** (2)
2 and (3) introductory portion as follows:

3 **39-3-122. Agricultural equipment used in production of**
4 **agricultural products - CEA facilities - exemption - definition.** (2) On
5 and after January 1, 2023, ~~but prior to January 1, 2028,~~ agricultural
6 equipment that is used in any CEA facility is exempt from the levy and
7 collection of property tax.

8 (3) On and after January 1, 2024, ~~but before January 2, 2029,~~
9 personal property is ~~exempted~~ EXEMPT from the levy and collection of
10 property tax if the property is machinery or equipment that is part of a
11 solar energy generating system that is used for agrivoltaics, and if the
12 property:

13 **SECTION 3. Act subject to petition - effective date.** This act
14 takes effect at 12:01 a.m. on the day following the expiration of the
15 ninety-day period after final adjournment of the general assembly; except
16 that, if a referendum petition is filed pursuant to section 1 (3) of article V
17 of the state constitution against this act or an item, section, or part of this
18 act within such period, then the act, item, section, or part will not take
19 effect unless approved by the people at the general election to be held in
20 November 2026 and, in such case, will take effect on the date of the
21 official declaration of the vote thereon by the governor.