

CHAPTER 158

TAXATION

HOUSE BILL 94-1101

BY REPRESENTATIVES Agler, Jerke, and Strom;
also SENATORS Blickensderfer, Hopper, and Tebedo.

AN ACT**CONCERNING ADMINISTRATION OF THE SPECIAL FUEL TAX ON LIQUIFIED PETROLEUM AND NATURAL GAS.**

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 modification of the procedures for collection of the excise tax on liquified petroleum gas and natural gas will simplify collection of the tax and provide for more uniform enforcement of such tax collections. The general assembly further finds and declares that such modification can be done without impacting the overall amount of revenues collected by the state from the excise tax on liquified petroleum gas and natural gas.

(2) It is the intent of the general assembly to modify the procedures for payment and collection of the excise tax on liquified petroleum gas and natural gas and not to impose a new or additional tax on such fuels.

SECTION 2. 39-27-202, Colorado Revised Statutes, 1982 Repl. Vol., as amended, is amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to read:

39-27-202. Tax imposed - exemptions - ex-tax purchases. (6) (a) THE DEPARTMENT OF REVENUE SHALL PROMULGATE RULES AND REGULATIONS ALLOWING FOR PAYMENT OF THE ANNUAL LICENSE TAX FEE, IF APPLICABLE, AND ACQUISITION OF THE DECAL AS SET FORTH IN SUBSECTION (5) OF THIS SECTION BY A USER DIRECTLY FROM A VENDOR OR DISTRIBUTOR OF LIQUIFIED PETROLEUM GAS OR NATURAL GAS.

(b) SUCH RULES AND REGULATIONS SHALL PERMIT EACH VENDOR OR DISTRIBUTOR

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

WHO PARTICIPATES IN THE PROGRAM TO RETURN DECALS WHICH ARE NOT ISSUED BY THE VENDOR OR DISTRIBUTOR AND REMIT THE APPLICABLE ANNUAL LICENSE TAX FEES COLLECTED BY THE VENDOR OR DISTRIBUTOR NOT EARLIER THAN ONE HUNDRED TWENTY DAYS FROM THE TIME DECALS ARE SUPPLIED TO THE VENDOR OR DISTRIBUTOR BY THE DEPARTMENT OF REVENUE.

(7) MOTOR VEHICLES WHICH ARE OWNED OR OPERATED BY A NONPROFIT TRANSIT AGENCY WHICH RECEIVES PUBLIC FUNDS AND WHICH ARE USED EXCLUSIVELY IN PERFORMING THE AGENCY'S NONPROFIT FUNCTIONS AND ACTIVITIES SHALL BE EXEMPT FROM THE PROVISIONS OF SUBSECTION (5) OF THIS SECTION AND FROM THE SPECIAL FUEL TAX IMPOSED BY PARAGRAPH (c) OF SUBSECTION (1) OF THIS SECTION UPON LIQUIFIED PETROLEUM GAS AND NATURAL GAS.

(8) THE DEPARTMENT OF REVENUE IS AUTHORIZED TO PROMULGATE REASONABLE RULES AND REGULATIONS, CONSISTENT WITH THIS PART 2, CONCERNING ANNUAL LICENSE TAX FEES COLLECTED AND DECALS ISSUED PURSUANT TO SUBSECTIONS (5) AND (6) OF THIS SECTION, INCLUDING, BUT NOT LIMITED TO, REPORTING PROCEDURES, REPORTING FORMS, AND THE PENALTIES DESCRIBED IN SECTIONS 39-27-216 AND 39-27-217.

SECTION 3. 39-27-202 (5) (f), Colorado Revised Statutes, 1982 Repl. Vol., as amended, is amended to read:

39-27-202. Tax imposed - exemptions - ex-tax purchases. (5) (f) No person shall cause to be put, or put, liquefied petroleum gas or natural gas into the fuel tank of a motor vehicle required to have a liquefied petroleum gas or natural gas decal unless the motor vehicle has such decal attached to it OR WRITTEN OR ELECTRONIC EVIDENCE THAT A VALID DECAL HAS BEEN ACQUIRED FOR THE MOTOR VEHICLE HAS BEEN PROVIDED TO SUCH PERSON OR SUCH PERSON'S EMPLOYER. Sales of fuel placed in the fuel tank of a motor vehicle not displaying such decal OR OTHERWISE EVIDENCING ACQUISITION OF A VALID DECAL and for which the distributor is obligated to collect the tax specified by paragraph (c) of subsection (1) of this section shall be recorded upon an invoice, which invoice shall include the date, the motor vehicle license number, the number of gallons or, in the case of natural gas, the energy equivalent in gallons placed in such fuel tank, and the tax due thereon.

SECTION 4. 39-27-205 (1), Colorado Revised Statutes, 1982 Repl. Vol., is amended BY THE ADDITION OF THE FOLLOWING NEW PARAGRAPHS to read:

39-27-205. Tax collection. (1) (c) DISTRIBUTORS MAY AGGREGATE FIGURES STATED IN THE REPORTS REQUIRED BY THIS SUBSECTION (1) FOR LIQUIFIED PETROLEUM GAS AND NATURAL GAS FOR ALL SERVICE STATIONS OR OTHER FACILITIES WHICH DISPENSE LIQUIFIED PETROLEUM GAS OR NATURAL GAS FOR SALE TO USERS AND WHICH ARE OWNED OR OPERATED BY THE SAME DISTRIBUTOR.

(d) DISTRIBUTORS MAY AGGREGATE FIGURES STATED IN THE REPORTS REQUIRED BY THIS SUBSECTION (1) FOR LIQUIFIED PETROLEUM GAS AND NATURAL GAS FOR SALES OF SUCH FUELS TO A PARTICULAR CLASS OR TYPE OF INDIVIDUAL USER OR HOLDER OF THE DECALS AUTHORIZED BY SECTION 39-27-202 (5). DISTRIBUTORS OF LIQUIFIED PETROLEUM GAS AND NATURAL GAS SHALL NOT BE REQUIRED TO SEPARATELY REPORT

THE AMOUNT OF SALES TO INDIVIDUAL USERS.

(e) ANY INVENTORY REPORTING REQUIREMENTS ESTABLISHED PURSUANT TO THIS SUBSECTION (1) SHALL NOT APPLY TO DISTRIBUTORS OF NATURAL GAS WHOSE SERVICE STATIONS OR OTHER FACILITIES RECEIVE SPECIAL FUEL FOR SALE THROUGH A PIPELINE AND HAVE A MAXIMUM SPECIAL FUEL STORAGE CAPACITY OF LESS THAN ONE THOUSAND GALLON EQUIVALENTS AT THE SITE WHERE SALES ARE MADE TO USERS.

SECTION 5. 39-27-205, Colorado Revised Statutes, 1982 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

39-27-205. Tax collection. (7) DISTRIBUTORS WHO SELL NATURAL GAS EXCLUSIVELY TO DISTRIBUTORS, VENDORS, OR OTHER RETAILERS OF SPECIAL FUELS SHALL BE EXEMPT FROM THE REPORTING AND TAX COLLECTION AND REMITTANCE REQUIREMENTS OF THIS SECTION. THIS SUBSECTION (7) SHALL NOT APPLY TO ANY DISTRIBUTOR WHO SELLS NATURAL GAS TO A USER.

SECTION 6. Effective date - applicability. This act shall take effect July 1, 1994, and shall apply to annual license tax fees paid and reports filed on or after said date.

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

Approved: April 28, 1994