

CHAPTER 315

TAXATION

HOUSE BILL 99-1016

BY REPRESENTATIVES Johnson, Smith, Spradley, Alexander, Coleman, Dean, Fairbank, Gagliardi, Hagedorn, Hefley, Hoppe, Larson, Lee, McKay, McPherson, Miller, Mitchell, Nunez, Paschall, Pfiffner, Scott, Spence, Stengel, Taylor, Webster, and Young; also SENATORS Wattenberg, Chlouber, Congrove, Dennis, Epps, Evans, Hernandez, Hillman, Lamborn, Matsunaka, Musgrave, Owen, Powers, and Tebedo.

AN ACT

CONCERNING AN EXEMPTION OF SUBSTANCES PROVIDED TO LIVESTOCK FROM THE STATE SALES AND USE TAX.

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

SECTION 1. 39-26-114, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

39-26-114. Exemptions - disputes - credits or refunds. (21) (a) ALL SALES AND PURCHASES OF AGRICULTURAL COMPOUNDS TO BE CONSUMED BY, ADMINISTERED TO, OR OTHERWISE USED IN CARING FOR LIVESTOCK AND ALL SALES AND PURCHASES OF SEMEN FOR AGRICULTURAL OR RANCHING PURPOSES SHALL BE EXEMPT FROM TAXATION UNDER THIS PART 1.

(b) FOR PURPOSES OF THIS SUBSECTION (21), "AGRICULTURAL COMPOUNDS" MEANS:

(I) INSECTICIDES, FUNGICIDES, GROWTH-REGULATING CHEMICALS, ENHANCING COMPOUNDS, VACCINES, AND HORMONES;

(II) DRUGS, WHETHER DISPENSED IN ACCORDANCE WITH A PRESCRIPTION OR NOT, THAT ARE USED FOR THE PREVENTION OR TREATMENT OF DISEASE OR INJURY IN LIVESTOCK; AND

(III) ANIMAL PHARMACEUTICALS THAT HAVE BEEN APPROVED BY THE FOOD AND DRUG ADMINISTRATION.

SECTION 2. 39-26-203 (1), Colorado Revised Statutes, is amended BY THE

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

ADDITION OF A NEW PARAGRAPH to read:

39-26-203. Exemptions. (1) This part 2 is declared to be supplementary to the "Emergency Retail Sales Tax Law of 1935", part 1 of this article, and shall not apply:

(kk) (I) TO THE STORAGE, USE, OR CONSUMPTION OF:

(A) AGRICULTURAL COMPOUNDS TO BE CONSUMED BY, ADMINISTERED TO, OR OTHERWISE USED IN CARING FOR LIVESTOCK; OR

(B) SEMEN USED FOR AGRICULTURAL OR RANCHING PURPOSES.

(II) FOR PURPOSES OF THIS PARAGRAPH (kk), "AGRICULTURAL COMPOUNDS" MEANS:

(A) INSECTICIDES, FUNGICIDES, GROWTH-REGULATING CHEMICALS, ENHANCING COMPOUNDS, VACCINES, AND HORMONES;

(B) DRUGS, WHETHER DISPENSED IN ACCORDANCE WITH A PRESCRIPTION OR NOT, THAT ARE USED FOR THE PREVENTION OR TREATMENT OF DISEASE OR INJURY IN LIVESTOCK; AND

(C) ANIMAL PHARMACEUTICALS THAT HAVE BEEN APPROVED BY THE FOOD AND DRUG ADMINISTRATION.

SECTION 3. Effective date. This act shall take effect July 1, 1999.

SECTION 4. 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: June 3, 1999