

CHAPTER 286

TAXATION

SENATE BILL 04-001

BY SENATOR(S) Cairns, Hillman, Andrews, Lamborn, Arnold, Chlouber, Johnson S., Jones, and May R.;
also REPRESENTATIVE(S) Spradley, Crane, Harvey, May M., Mitchell, Welker, Williams T., Boyd, Coleman, Frangas, Hall,
Hefley, Jahn, Marshall, Rippy, Spence, Stengel, Weddig, and Young.

AN ACT

CONCERNING THE EXEMPTION OF BUSINESS PERSONAL PROPERTY FROM PROPERTY TAXATION.

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

SECTION 1. Article 2 of title 2, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PART to read:

PART 11**LEGISLATIVE INTERIM COMMITTEE ON STIMULATING
ECONOMIC DEVELOPMENT THROUGH BUSINESS PERSONAL
PROPERTY TAX EXEMPTIONS AND OTHER METHODS**

2-2-1101. Interim committee on stimulating economic development through business personal property tax exemptions and other methods - creation - duties - repeal. (1) THERE IS HEREBY CREATED THE INTERIM COMMITTEE ON STIMULATING ECONOMIC DEVELOPMENT THROUGH BUSINESS PERSONAL PROPERTY TAX EXEMPTIONS AND OTHER METHODS, REFERRED TO IN THIS SECTION AS THE "COMMITTEE". THE COMMITTEE SHALL MEET IN THE INTERIM AFTER THE CONCLUSION OF THE 2004 SECOND REGULAR SESSION OF THE SIXTY-FOURTH GENERAL ASSEMBLY. THE COMMITTEE SHALL CONSIST OF TEN MEMBERS OF THE GENERAL ASSEMBLY. FIVE MEMBERS OF THE COMMITTEE SHALL BE FROM THE SENATE, THREE OF WHOM SHALL BE APPOINTED BY THE PRESIDENT OF THE SENATE AND TWO OF WHOM SHALL BE APPOINTED BY THE MINORITY LEADER OF THE SENATE. FIVE MEMBERS OF THE COMMITTEE SHALL BE FROM THE HOUSE OF REPRESENTATIVES AND SHALL BE APPOINTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES. NO MORE THAN THREE OF THE FIVE MEMBERS FROM THE HOUSE OF REPRESENTATIVES SHALL BE FROM THE SAME POLITICAL PARTY. THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES SHALL APPOINT COCHAIRPERSONS OF 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.

COMMITTEE, WHO SHALL SHARE THE RESPONSIBILITIES OF CHAIRING THE COMMITTEE.

(2) THE COMMITTEE SHALL STUDY, BUT NEED NOT LIMIT ITS CONSIDERATION TO, THE FOLLOWING:

(a) TAX POLICY CHANGES THAT HAVE THE EFFECT OF CREATING AND RETAINING JOBS IN COLORADO, INCLUDING, BUT NOT LIMITED TO, BUSINESS PERSONAL PROPERTY TAX EXEMPTIONS THAT ELIMINATE OR PHASE OUT THE BUSINESS PERSONAL PROPERTY TAX;

(b) AN ANALYSIS OF THE CUMULATIVE FISCAL IMPACT OF SUCH TAX POLICY CHANGES ON THE STATE AND LOCAL GOVERNMENTS, INCLUDING, BUT NOT LIMITED TO, THE FISCAL IMPACT OF BUSINESS PERSONAL PROPERTY TAX EXEMPTIONS THAT ELIMINATE OR PHASE OUT THE BUSINESS PERSONAL PROPERTY TAX;

(c) DYNAMIC ECONOMIC MODELS, INCLUDING THE MULTIPLIER EFFECT, THAT USE EXISTING RESOURCES AND THAT DEMONSTRATE NET LONG-TERM REVENUE GAINS;

(d) METHODS TO MITIGATE THE POTENTIAL OF ANY REVENUE LOSSES TO THE STATE AND LOCAL GOVERNMENTS FROM SUCH TAX POLICY CHANGES;

(e) ENSURING THAT SUCH TAX POLICY CHANGES WOULD ENCOURAGE ECONOMIC DEVELOPMENT IN RURAL AREAS; AND

(f) WHAT OTHER ACTIONS CAN BE TAKEN BY THE STATE TO ENCOURAGE, PROMOTE, AND STIMULATE ECONOMIC DEVELOPMENT IN COLORADO.

(3) THE COMMITTEE SHALL MEET SIX TIMES DURING THE 2004 INTERIM. THESE MEETINGS SHALL BE OPEN TO THE PUBLIC AND THE COMMITTEE SHALL SOLICIT THE TESTIMONY OF THE MEMBERS OF THE PUBLIC, ESPECIALLY THOSE MEMBERS OF THE PUBLIC WITH EXPERTISE RELATED TO THE FISCAL IMPACTS OF TAX POLICY CHANGES.

(4) (a) EXPENDITURES INCURRED IN CONDUCTING THE STUDY DESCRIBED IN THIS SECTION SHALL BE APPROVED BY THE CHAIRPERSON OF THE LEGISLATIVE COUNCIL AND PAID BY VOUCHERS AND WARRANTS DRAWN AS PROVIDED BY LAW FROM MONEYS ALLOCATED TO THE LEGISLATIVE COUNCIL FROM APPROPRIATIONS MADE BY THE GENERAL ASSEMBLY.

(b) THE LEGISLATIVE COUNCIL STAFF AND THE OFFICE OF LEGISLATIVE LEGAL SERVICES SHALL BE AVAILABLE TO ASSIST THE COMMITTEE IN CARRYING OUT ITS DUTIES.

(5) THE LEGISLATIVE MEMBERS OF THE COMMITTEE SHALL BE COMPENSATED AS PROVIDED IN SECTION 2-2-307 FOR ATTENDANCE AT MEETINGS OF THE COMMITTEE.

(6) THE COMMITTEE SHALL MAKE A REPORT TO THE GENERAL ASSEMBLY IN ACCORDANCE WITH THE JOINT RULES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES. SUCH REPORT MAY INCLUDE RECOMMENDATIONS FOR LEGISLATION, INCLUDING BUT NOT LIMITED TO LEGISLATION CONTINUING THE COMMITTEE. LEGISLATION RECOMMENDED BY THE COMMITTEE SHALL BE TREATED AS LEGISLATION RECOMMENDED BY ANY OTHER INTERIM COMMITTEE FOR PURPOSES

OF ANY INTRODUCTION DEADLINES OR BILL LIMITATIONS IMPOSED BY THE JOINT RULES OF THE SENATE AND HOUSE OF REPRESENTATIVES.

(7) THIS PART 11 IS REPEALED, EFFECTIVE JANUARY 1, 2005.

SECTION 2. 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: May 21, 2004