

## CHAPTER 55

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**TAXATION**

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**HOUSE BILL 05-1251**

BY REPRESENTATIVE(S) Knoedler, Frangas, Hall, Kerr, and Massey;  
also SENATOR(S) Sandoval.

**AN ACT****CONCERNING THE PAYMENT OF INCOME TAX BY NONRESIDENT PARTNERS OF PUBLICLY TRADED PARTNERSHIPS.**

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

**SECTION 1.** 39-22-601 (5), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

**39-22-601. Returns.** (5) (e.5) PARAGRAPHS (d) AND (e) OF THIS SUBSECTION (5) SHALL NOT APPLY TO A PUBLICLY TRADED PARTNERSHIP, AS DEFINED IN SECTION 7704 (b) OF THE INTERNAL REVENUE CODE, THAT MEETS ANY OF THE EXCEPTIONS UNDER SECTION 7704 (c) OF THE INTERNAL REVENUE CODE AND IS NOT TREATED AS A CORPORATION UNDER SECTION 7704 (a) OF THE INTERNAL REVENUE CODE.

**SECTION 2. Effective date - applicability.** (1) This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution (August 10, 2005, if adjournment sine die is on May 11, 2005); except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

(2) The provisions of this act shall apply to income tax years commencing on or after the applicable effective date of this act.

Approved: April 7, 2005

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