

CHAPTER 315

TAXATION

HOUSE BILL 07-1139

BY REPRESENTATIVE(S) Curry and Buescher, White, Gibbs, Roberts, Kefalas, Kerr J., King, Rose, and Stephens;
also SENATOR(S) Penry, Brophy, Kester, Schwartz, Taylor, and Wiens.

AN ACT

CONCERNING AN INCREASE IN THE PERCENTAGE OF MONEYS IN THE LOCAL GOVERNMENT SEVERANCE TAX FUND THAT ARE DISTRIBUTED TO LOCAL GOVERNMENTS ON THE BASIS OF THE RESIDENCY OF PERSONS WHO WORK IN MINERAL EXTRACTION INDUSTRY OPERATIONS.

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

SECTION 1. 39-29-110 (1) (b) (I) and (1) (c), Colorado Revised Statutes, are amended, and the said 39-29-110 (1) is further amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

39-29-110. Local government severance tax fund - creation - administration - energy impact assistance advisory committee created - repeal. (1) (b) (I) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (c.5) OF THIS SUBSECTION (1), eighty-five percent of the funds from the local government severance tax fund shall be distributed to those political subdivisions socially or economically impacted by the development, processing, or energy conversion of minerals and mineral fuels subject to taxation under this article and used for the planning, construction, and maintenance of public facilities and for the provision of public services. Such funds shall also be distributed to political subdivisions to compensate them for loss of property tax revenue resulting from the deduction of severance taxes paid in the determination of the valuation for assessment of producing mines.

(c) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (c.5) OF THIS SUBSECTION (1), an amount equal to fifteen percent of said gross receipts credited to the fund shall be distributed to counties or municipalities on the basis of the proportion of employees of the mine or related facility or crude oil, natural gas, or oil and gas operation who reside in any such county's unincorporated area or in any such municipality to the total number of employees of the mine or related facility or crude

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

oil, natural gas, or oil and gas operation. Such distribution shall be made on the basis of the report required in paragraph (d) of this subsection (1).

(c.5) FOR ANY STATE FISCAL YEAR COMMENCING ON OR AFTER JULY 1, 2007, STATE SEVERANCE TAX RECEIPTS CREDITED TO THE LOCAL GOVERNMENT SEVERANCE TAX FUND SHALL BE DISTRIBUTED AS FOLLOWS:

(I) SEVENTY PERCENT OF THE RECEIPTS AND INCOME SHALL BE DISTRIBUTED TO POLITICAL SUBDIVISIONS IN THE MANNER SPECIFIED IN PARAGRAPH (b) OF THIS SUBSECTION (1); AND

(II) THIRTY PERCENT OF THE RECEIPTS AND INCOME SHALL BE DISTRIBUTED OR LOANED TO COUNTIES OR MUNICIPALITIES IN THE MANNER SPECIFIED IN PARAGRAPH (c) OF THIS SUBSECTION (1).

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 29, 2007