AN ACT

CONCERNING THE ELIMINATION OF THE STATE SALES AND USE TAX EXEMPTION FOR CIGARETTES.

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

SECTION 1. In Colorado Revised Statutes, 39-26-706, amend (1) as follows:

39-26-706. Miscellaneous sales and use tax exemptions - internet access - refractory materials - precious metal bullion and coins. (1) (a) All sales of cigarettes shall be exempt from taxation under the provisions of part 1 of this article; except that any sales of cigarettes after June 30, 2009, and before July 1, 2013, shall not be exempt from such taxation.

(b) The storage, use, or consumption of cigarettes shall be exempt from taxation under the provisions of part 2 of this article; except that the storage, use, or consumption of cigarettes after June 30, 2009, and before July 1, 2013, shall not be exempt from such taxation.

(c) Notwithstanding any provision of law to the contrary, for any local government or political subdivision of the state that levies a sales or use tax based on the sales or use tax levied by the state pursuant to this article, the sale or storage, use, or consumption of cigarettes after June 30, 2009, and before July 1, 2013, shall be exempt from the sales or use tax of such local government or political subdivision.

SECTION 2. In Colorado Revised Statutes, repeal 39-28-113 as follows:

SECTION 3. Effective date. This act takes effect July 1, 2013.

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: May 28, 2013