

CHAPTER 337

TAXATION

HOUSE BILL 13-1272

BY REPRESENTATIVE(S) Hullinghorst, Fields, Fischer, Kagan, Labuda, Rosenthal, Williams, Court, Levy, Melton, Moreno, Schafer, Singer, Tyler;
also SENATOR(S) Steadman, Heath, Jones.

AN ACT

CONCERNING THE MODIFICATION OF A SPECIAL DISTRICT'S SALES AND USE TAX BASE TO MAKE IT THE SAME AS THE STATE'S SALES AND USE TAX BASE.

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

SECTION 1. Legislative declaration. (1) The general assembly finds and declares that:

(a) The regional transportation district and the scientific and cultural facilities district have the same sales and use tax base as the state with respect to tangible personal property, but the districts and the state have different exemptions for several types of such property;

(b) This leads to confusion for taxpayers and it is an administrative burden for vendors who collect and remit the tax to the state; and

(c) Therefore, the intended purpose of the tax expenditures in this act is to simplify the administration and collection of sales and use tax for the regional transportation district and the scientific and cultural facilities district.

SECTION 2. In Colorado Revised Statutes, 32-9-119, **amend** (2) (a) as follows:

32-9-119. Additional powers of district. (2) (a) To provide revenue to finance the operations of the district, to defray the cost of construction of capital improvements and acquisition of capital equipment, and to pay the interest and principal on securities of the district, the board, for and on behalf of the district, ~~after approval by election held pursuant to articles 1 to 13 of title 1, C.R.S., and, with respect to any tax rate increase that takes effect on or after March 2, 2009, in~~

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

~~accordance with section 32-9-119.3, shall have~~ HAS the power to levy uniformly throughout the district a sales tax at any rate that may be approved by the board, upon every transaction or other incident with respect to which a sales tax is now levied by the state, pursuant to the provisions of article 26 of title 39, C.R.S. ~~except that:~~

~~(F) Such sales tax may be levied on vending machine sales of food that are otherwise exempt pursuant to section 39-26-714 (2), C.R.S., and on purchases of machinery or machine tools that are otherwise exempt pursuant to section 39-26-709 (1), C.R.S.;~~

~~(H) The board shall continue to levy a sales tax on the sales of low-emitting motor vehicles, power sources, or parts used for converting such power sources as specified in section 39-26-719 (1), C.R.S.;~~

~~(HH) The sale of cigarettes shall be exempt from such sales tax.~~

SECTION 3. In Colorado Revised Statutes, 32-13-107, **amend** (1) (a) as follows:

32-13-107. Sales and use tax imposed - collection - administration of tax - use. (1) (a) Except as otherwise provided in paragraph (b) of this subsection (1), upon the approval of the registered electors pursuant to the provisions of section 32-13-105, the board ~~shall have~~ HAS the power to levy such uniform sales and use taxes throughout the district created in section 32-13-104 upon every transaction or other incident with respect to which a sales and use tax is levied by the state, pursuant to the provisions of article 26 of title 39, C.R.S. ~~except that such sales and use tax shall not be levied the on sale or use of cigarettes and shall be levied on:~~

~~(F) Purchases of machinery or machine tools that are otherwise exempt pursuant to section 39-26-709 (1), C.R.S., to the extent such sales and purchases are subject to a sales and use tax levied by the regional transportation district pursuant to section 29-2-105 (1) (d), C.R.S., on and after the January 1 following the election in which such sales and use taxes were approved;~~

~~(H) Sales of low-emitting motor vehicles, power sources, or parts used for converting such power sources as specified in section 39-26-719 (1), C.R.S., and~~

~~(HH) Vending machine sales of food that are otherwise exempt pursuant to section 39-26-714 (2), C.R.S.~~

SECTION 4. In Colorado Revised Statutes, **amend** 39-26-127 as follows:

39-26-127. Legislation modifying the state sales tax base - no impact on local government sales tax bases - no expansion of local authority to levy sales tax. (1) Notwithstanding the provisions of section 29-2-105 (1) (d), C.R.S., any provision of title 32, C.R.S., or any other provision of law, AND EXCEPT AS SET FORTH IN SUBSECTION (3) OF THIS SECTION, the levying of sales tax on, exemption from sales tax for, or local option to levy sales tax on or provide an exemption from sales tax for any tangible personal property or services under the sales tax ordinance or resolution of any county, municipality, special district, authority, or other local

government or political subdivision of the state shall not be affected in any way by the elimination, suspension, or modification of any sales tax exemption or any other legislative modification of the state sales tax base resulting from the enactment of any of the following bills:

- (a) House Bill 10-1189, enacted in 2010;
- (b) House Bill 10-1190, enacted in 2010;
- (c) House Bill 10-1191, enacted in 2010;
- (d) House Bill 10-1194, enacted in 2010;
- (e) House Bill 10-1195, enacted in 2010.

(2) EXCEPT AS SET FORTH IN SUBSECTION (3) OF THIS SECTION, this section does not create or expand, and shall not be construed to create or expand, any authority of any county, municipality, special district, authority, or other local government or political subdivision of the state to levy sales tax.

(3) BEGINNING JANUARY 1, 2014, SUBSECTION (1) OF THIS SECTION DOES NOT APPLY TO THE REGIONAL TRANSPORTATION DISTRICT ESTABLISHED BY ARTICLE 9 OF TITLE 32, C.R.S., AND THE SCIENTIFIC AND CULTURAL FACILITIES DISTRICT ESTABLISHED BY ARTICLE 13 OF TITLE 32, C.R.S., WHICH LEVY SALES AND USE TAX UPON EVERY TRANSACTION OR OTHER INCIDENT WITH RESPECT TO WHICH A SALES AND USE TAX IS LEVIED BY THE STATE.

SECTION 5. In Colorado Revised Statutes, **amend** 39-26-212 as follows:

39-26-212. Legislation modifying the state use tax base - no impact on local government use tax bases - no expansion of local authority to levy use tax.

(1) Notwithstanding the provisions of section 29-2-105 (1) (d), C.R.S., any provision of title 32, C.R.S., or any other provision of law, AND EXCEPT AS SET FORTH IN SUBSECTION (3) OF THIS SECTION, the levying of use tax on, exemption from use tax for, or local option to levy use tax on or provide an exemption from use tax for any tangible personal property or services under the use tax ordinance or resolution of any county, municipality, special district, authority, or other local government or political subdivision of the state shall not be affected in any way by the elimination, suspension, or modification of any use tax exemption or any other legislative modification of the state use tax base resulting from the enactment of any of the following bills:

- (a) House Bill 10-1189, enacted in 2010;
- (b) House Bill 10-1190, enacted in 2010;
- (c) House Bill 10-1191, enacted in 2010;
- (d) House Bill 10-1194, enacted in 2010;
- (e) House Bill 10-1195, enacted in 2010.

(2) EXCEPT AS SET FORTH IN SUBSECTION (3) OF THIS SECTION, this section does not create or expand, and shall not be construed to create or expand, any authority of any county, municipality, special district, authority, or other local government or political subdivision of the state to levy use tax.

(3) BEGINNING JANUARY 1, 2014, SUBSECTION (1) OF THIS SECTION DOES NOT APPLY TO THE REGIONAL TRANSPORTATION DISTRICT ESTABLISHED BY ARTICLE 9 OF TITLE 32, C.R.S., AND THE SCIENTIFIC AND CULTURAL FACILITIES DISTRICT ESTABLISHED BY ARTICLE 13 OF TITLE 32, C.R.S., WHICH LEVY SALES AND USE TAX UPON EVERY TRANSACTION OR OTHER INCIDENT WITH RESPECT TO WHICH A SALES AND USE TAX IS LEVIED BY THE STATE.

SECTION 6. In Colorado Revised Statutes, 39-26-706, amend as amended by House Bill 13-1144 (1) (c) as follows:

39-26-706. Miscellaneous sales and use tax exemptions - internet access - refractory materials - precious metal bullion and coins.

(1) (c) (I) Notwithstanding any provision of law to the contrary, BUT EXCEPT AS SET FORTH IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (c), 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 is exempt from the sales or use tax of such local government or political subdivision.

(II) SUBPARAGRAPH (I) OF THIS PARAGRAPH (c) DOES NOT APPLY TO THE REGIONAL TRANSPORTATION DISTRICT ESTABLISHED BY ARTICLE 9 OF TITLE 32, C.R.S., AND THE SCIENTIFIC AND CULTURAL FACILITIES DISTRICT ESTABLISHED BY ARTICLE 13 OF TITLE 32, C.R.S., WHICH, BEGINNING JANUARY 1, 2014, LEVY SALES AND USE TAX UPON EVERY TRANSACTION OR OTHER INCIDENT WITH RESPECT TO WHICH A SALES AND USE TAX IS LEVIED BY THE STATE.

SECTION 7. Effective date. This act takes effect January 1, 2014.

SECTION 8. 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