An Act

HOUSE BILL 11-1005

BY REPRESENTATIVE(S) Sonnenberg and Becker, Acree, Barker, Baumgardner, Beezley, Brown, Casso, Conti, Coram, DelGrosso, Gerou, Holbert, Joshi, Kerr J., Liston, Murray, Nikkel, Priola, Ramirez, Scott, Stephens, Summers, Vigil, Waller, McNulty, Bradford, Gardner B., Pace; also SENATOR(S) Brophy, Grantham, Harvey, Hodge, Jahn, King K., King S., Kopp, Lambert, Lundberg, Mitchell, Renfroe, Roberts, Scheffel, Spence, Steadman, White.

CONCERNING THE REPEAL OF HOUSE BILL 10-1195 REGARDING A SUSPENSION OF THE EXEMPTION FROM THE STATE SALES AND USE TAXES FOR CERTAIN ITEMS USED IN AGRICULTURAL PRODUCTION, AND MAKING AN APPROPRIATION THEREFOR.

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

SECTION 1. Repeal. 24-75-113 (6), Colorado Revised Statutes, is repealed as follows:

24-75-113. 2010 bills to increase state revenue - prohibition on hiring of new state employees. (6) ~~No moneys derived from the increase in state revenues resulting from the passage of House Bill 10-1195, enacted in 2010, shall be appropriated for the purpose of funding additional full-time equivalent state employees.~~

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

SECTION 2. Repeal. 39-21-122 (7), Colorado Revised Statutes, is repealed as follows:

39-21-122. Revenue impact of 2010 tax legislation - tracking by department. (7) ~~The department of revenue shall account for all revenue attributable to the enactment of House Bill 10-1195, enacted in 2010, and shall, to the extent such information is available, make quarterly reports to the general assembly regarding the quarterly and cumulative net revenue gain to the state resulting from the enactment of said bill.~~

SECTION 3. 39-26-716 (2) (d), (2) (e), (3) (d), (3) (e), and (5), Colorado Revised Statutes, are amended to read:

39-26-716. Agriculture and livestock - special fuels - definitions. (2) The following shall be exempt from taxation under the provisions of part 1 of this article:

(d) ~~Except as otherwise provided in subsection (5) of this section,~~ All sales and purchases of agricultural compounds to be consumed by, administered to, or otherwise used in caring for livestock and all sales and purchases of semen for agricultural or ranching purposes; and

(e) ~~Except as otherwise provided in subsection (5) of this section,~~ All sales and purchases of pesticides that are registered by the commissioner of agriculture for use in the production of agricultural and livestock products pursuant to the provisions of the "Pesticide Act", article 9 of title 35, C.R.S., and offered for sale by dealers licensed to sell such pesticides pursuant to section 35-9-115, C.R.S.

(3) The following shall be exempt from taxation under the provisions of part 2 of this article:

(d) ~~Except as otherwise provided in subsection (5) of this section,~~ The storage, use, or consumption of agricultural compounds to be consumed by, administered to, or otherwise used in caring for livestock and semen used for agricultural or ranching purposes; and

(e) ~~Except as otherwise provided in subsection (5) of this section,~~ The storage, use, or consumption of pesticides that are registered by the

commissioner of agriculture for use in the production of agricultural and livestock products pursuant to the provisions of the "Pesticide Act", article 9 of title 35, C.R.S., and offered for sale by dealers licensed to sell such pesticides pursuant to section 35-9-115, C.R.S.

(5) ~~Notwithstanding any other provision of law, all sales and purchases of the items described in paragraph (d) or (e) of subsection (2) or paragraph (d) or (e) of subsection (3) of this section shall not be exempt from state sales and use taxation under the provisions of this article for the period commencing March 1, 2010, and ending June 30, 2013.~~

SECTION 4. Appropriation. In addition to any other appropriation, there is hereby appropriated, out of any moneys in the general fund not otherwise appropriated, to the department of revenue, for allocation to the central department operations division, for the fiscal year beginning July 1, 2010, the sum of three hundred sixty-three dollars ($363), or so much thereof as may be necessary, for the implementation of this act.

SECTION 5. Appropriation. In addition to any other appropriation, there is hereby appropriated, out of any moneys in the general fund not otherwise appropriated, to the department of revenue, for allocation to the taxpayer business group, for allocation to the taxpayer service division, for the fiscal year beginning July 1, 2010, the sum of five thousand four hundred seventeen dollars ($5,417), or so much thereof as may be necessary, for the implementation of this act.

SECTION 6. Effective date - applicability. This act shall take effect July 1, 2011.

SECTION 7. 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.

Frank McNulty
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Brandon C. Shaffer
PRESIDENT OF
THE SENATE

Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

APPROVED 9:45 am May 23, 2011

John W. Hickenlooper
GOVERNOR OF THE STATE OF COLORADO