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Sixty-ninth General Assembly
STATE OF COLORADO

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LLS NO. 13-0071.01 Jery Payne x2157

INTERIM COMMITTEE BILL

Transportation Legislation Review Committee

SHORT TITLE: "Ownership Tax Rental Mobile Machinery Electronic"

A BILL FOR AN ACT

101 **CONCERNING THE AUTHORIZATION OF OWNERS OF RENTAL SPECIAL**
102 **MOBILE MACHINERY TO PAY SPECIFIC OWNERSHIP TAX**
103 **THROUGH AN ELECTRONIC REPORTING PROCESS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Transportation Legislation Review Committee. The bill directs the department of revenue to set up an electronic system to receive tax reports filed by the owners of rental special mobile machinery. The department will make the reports available to the counties and remit the

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

tax to the counties as if it were paid directly to the counties.

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

2 **SECTION 1.** In Colorado Revised Statutes, 42-3-107, **amend**
3 (16) (c) and (16) (d) as follows:

4 **42-3-107. Taxable value of classes of property - rate of tax -**
5 **when and where payable - department duties - apportionment of tax**
6 **collections - definitions - rules.** (16) (c) (I) Upon receiving authorization
7 under paragraph (b) of this subsection (16), the owner shall collect from
8 the user the specific ownership tax in the amount equivalent to two
9 percent of the amount of the rental or lease payment.

10 (II) No later than the twentieth day of each month, the owner shall
11 submit a report, using forms furnished by the department, to the
12 authorized agent in each county where the equipment is used, together
13 with the remittance of the taxes collected for the use in the county for the
14 preceding month. THE OWNER SHALL SIMULTANEOUSLY SUBMIT a copy of
15 each report ~~shall be submitted simultaneously by the owner~~ to the
16 department. THIS SUBPARAGRAPH (II) DOES NOT APPLY WHEN MODIFIED
17 BY SUBPARAGRAPH (III) OF PARAGRAPH (d) OF THIS SUBSECTION (16).

18 (d) (I) ~~Such reports shall be made~~ EXCEPT AS MODIFIED BY
19 SUBPARAGRAPH (III) OF THIS PARAGRAPH (d), THE OWNER SHALL MAKE
20 THE REPORT monthly to the department and to the authorized agent in the
21 county where the equipment is located with a user, even if no specific
22 ownership taxes were collected by the owner in the previous month.

23 (II) Failure to make such ~~reports~~ REPORT in a period of sixty days
24 ~~shall be~~ IS grounds for the termination of ~~such~~ THE owner's right to pay
25 the specific ownership taxes on the owner's Class F personal property in

1 the manner provided under this subsection (16). If the owner fails to remit
2 specific ownership taxes received from a renter or lessee during such
3 sixty-day period, the authorized agent may proceed to collect ~~such~~ THE
4 delinquent taxes in the manner authorized in subsection (21) of this
5 section.

6 (III) THE DEPARTMENT SHALL ALLOW THE OWNER TO FILE THE
7 REPORT ELECTRONICALLY WITH THE DEPARTMENT OF REVENUE EITHER BY
8 ELECTRONIC TRANSMISSION OR BY ELECTRONICALLY READABLE MEDIA AS
9 DETERMINED BY RULE. IF THE FILING IS MADE UNDER THIS SUBPARAGRAPH
10 (III), THE OWNER SHALL PAY THE SPECIFIC OWNERSHIP TAX DIRECTLY TO
11 THE DEPARTMENT OF REVENUE AND NEED NOT FILE WITH OR REMIT
12 PAYMENT TO THE AUTHORIZED AGENT. THE DEPARTMENT SHALL:

13 (A) MAKE THE INFORMATION IN THE REPORT AVAILABLE TO THE
14 AUTHORIZED AGENTS IN THE COUNTIES WHERE THE EQUIPMENT IS RENTED
15 OR USED; AND

16 (B) TRANSMIT THE APPROPRIATE PORTION OF THE COLLECTED TAX
17 TO EACH COUNTY AS REQUIRED BY THIS SECTION AS IF THE REPORT WERE
18 NOT FILED ELECTRONICALLY.

19 **SECTION 2. Act subject to petition - effective date.** This act
20 takes effect at 12:01 a.m. on the day following the expiration of the
21 ninety-day period after final adjournment of the general assembly; except
22 that, if a referendum petition is filed pursuant to section 1 (3) of article V
23 of the state constitution against this act or an item, section, or part of this
24 act within such period, then the act, item, section, or part will not take
25 effect unless approved by the people at the general election to be held in
26 November 2014 and, in such case, will take effect on the date of the
27 official declaration of the vote thereon by the governor.