

## 2009 Estimates of Sales Tax Exemptions by Statute Number

| Colorado Revised Statute | Colorado State Sales Tax Exemption  | 2009 Estimated Amount | Enacted Date | Expired Date |
|--------------------------|---|-----------------------|--------------|--------------|
| §39-26-102(10)(f)        | Transfers of assets in a certain types of business formation or dissolution   |                       | 1/ 1977      |              |
| §39-26-102(15)           | Newspapers  | \$ 5,785,239          | 1943         |              |
| §39-26-102(15)           | Newspaper advertising supplements   | 335,250               | 1985         |              |
| §39-26-102(15)           | Direct mail advertising materials distributed by persons engaged solely and exclusively in providing cooperative direct mail advertising  | 1,430,386             | 1990         |              |
| §39-26-102(19)           | Sales of materials used in the printing process   | 7,254                 | 1992         |              |
| §39-26-102(20)(a)        | Tangible property becoming an ingredient or component part of the product or service manufactured   | 519,297,870           | 1935         |              |
| §39-26-102(20)(b)        | Property for use in food manufacturing when such property becomes part of the product or is left unfit for further use  | 7,898,588             | 1982         |              |
| §39-26-102(21)           | Energy used for industrial, manufacturing, and similar purposes   | 39,580,930            | 1937         |              |
| §39-26-102(21)           | Nuclear fuel when deemed a wholesale sale   | 1/                    | 1982         |              |
| §39-26-102(21)           | Printers ink and newsprint  | 1,265,928             | 1943         |              |
| §39-26-104(1)(c)(l)      | Cell phone service to customers whose primary use is outside Colorado   | 1/                    | 2002         |              |
| §39-26-106(3)(a)         | Sales of commercial vehicles over 26,000 gross vehicle weight   | 2/                    | 2000         |              |
| §39-26-113(5)(a)         | Sales of motor vehicles by nonresidents purchased for use by nonresidents outside Colorado  | 2,311,815             | 1977         |              |
| §39-26-202(1)(c)         | Sales of wireless telecommunications equipment  | 1,600,859             | 1996         |              |
| §39-26-402(1)            | Sales of biotechnology equipment  | 628,633               | 1999         |              |
| §39-26-502(2)            | Sales of pollution control equipment sold to businesses   | 2/                    | 2000         |              |
| §39-26-704(1)            | Sales to governmental units   | 123,435,722           | 1937         |              |
| §39-26-704(2)            | Sales to residents of a bordering state within 20 miles of the state border if the bordering state does not have a sales tax  | 1/                    | 1963         |              |
| §39-26-704(3)            | Lodging for permanent residents   | 180,169               | 1959         |              |
| §39-26-704(4)            | Sales to public schools   | 25,273,945            | 1969         |              |
| §39-26-706(1)(a)         | Cigarettes  | 12,664,330            | 1959         | July 2009    |
| §39-26-706(2)(a)         | Internet access service   | 7,055,589             | 1998         |              |
| §39-26-706(3)            | Refractory materials and carbon electrodes used in manufacturing iron and steel, and inorganic chemicals used in processing uranium-vanadium ores                               | 7,488                 | 1982         |              |
| §39-26-706(4)            | Sales of precious metal bullion and coins   | 686,531               | 1999         |              |
| §39-26-707(1)(a)         | Sales of food purchased with food stamps  | 9,585,683             | 1987         |              |
| §39-26-707(1)(b)         | Food purchased with funds from the supplemental food program for women, infants, and children (WIC)   | 1,207,406             | 1987         |              |
| §39-26-707(1)(c) & (d)   | Sales of any article, containers, or bags to a retailer or vendor of food if provided to the consumer without a separate charge   | 2,028,339             | 1978         |              |
| §39-26-707(1)(e)         | Sales of food for off-premises consumption  | 227,354,539           | 1979         |              |
| §39-26-707(2)(a)         | Value of meals furnished to employees of food service establishments for free or at reduced rates and considered part of their incomes  | 213,500               | 1978         |              |
| §39-26-708(1)            | Sales of construction and building materials for use by contractors on public works projects, tax-exempt organizations (charitable organizations) and public schools            | 69,703,789            | 1979         |              |
| §39-26-709(1)            | Purchases of machinery or machine tools used in manufacturing process   | 53,672,764            | 1979         |              |
| §39-26-710(1)(a)         | Sales of construction materials to a common carrier by rail   | 1,237,954             | 1977         |              |
| §39-26-710(1)(b) & (c)   | Sales of railroad capital equipment (combined with §39-26-710(1)(a))  | 3/                    | 1992         |              |
| §39-26-711(1)(a)         | Sales of aircraft used or purchased for use in interstate commerce by commercial airlines   | 4/                    | 1984         |              |
| §39-26-711(1)(b)         | Sales of aircraft component parts   | 629,530               | 1991         |              |
| §39-26-711.5 (1)         | Sale of a new or used aircraft to a non resident  | 591,000               | 2008         |              |
| §39-26-712(1)(a) & (b)   | New and used commercial trucks and trailers purchased in Colorado for use outside Colorado or in interstate commerce and permanently licensed and registered outside this state | 5,701,820             | 1976         |              |
| §39-26-713(1)(a)         | Leases of personal property for three years or less if tax is paid upon original acquisition  | 1/                    | 1977         |              |
| §39-26-713(1)(b)         | Property transferred by a supplier to out-of-state vendors for use in selling products at wholesale by the supplier   | 72,660                | 1978         |              |

**Colorado Revised Statute**

**Colorado State Sales Tax Exemption**

**2009 Estimated Amount    Enacted Date    Expired Date**

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|---|--|-------------------------|------|
| §39-26-713(1)(c)                                | The sale of tangible personal property for testing, modification, inspection, or similar type of activities in the state if the ultimate use of the property in manufacturing or similar type of activities occurs outside of this state and if the test, modification, or inspection period does not exceed ninety days | 1/                      | 1977 |
| §39-26-713(1)(d)                                | Sales and purchases of personal property used as a component part of manufactured goods donated to tax-exempt organizations to the extent that the aggregate value of the goods included in a single donation exceeds \$1,000.   | < 500,000 4/            | 1998 |
| §39-26-714(1)                                   | Sales of personal property through vending machines of 15 cents or less  | 1/                      | 1986 |
| §39-26-714(2)                                   | Sale of food through vending machines  | 9,992,838               | 1999 |
| §39-26-715(1)(a)(I)                             | Gasoline and special fuel  | 181,780,036             | 1935 |
| §39-26-715(1)(a)(II)                            | Sales of fuel for residential heat, light, and power   | 91,213,681              | 1979 |
| §39-26-716(2)(a)                                | Special fuel for farm vehicles   | 3,250,408               | 1977 |
| §39-26-716(2)(b) & (3)(b)                       | Sales of farm equipment  | 5,672,189               | 1999 |
| §39-26-716(2)(b) & (3)(b)                       | Sales of farm parts used in the repair or maintenance of farm equipment (combined with §39-26-716(2)(b), sales of farm equipment)  | 3/                      | 2000 |
| §39-26-716(2)(b) & (3)(b)                       | Sales of dairy equipment   | 70,140                  | 2001 |
| §39-26-716(2)(d)                                | Sales of agricultural compounds & bull semen   | 1,592,757               | 1999 |
| §39-26-716(2)(e)                                | Sales of pesticides  | 3,114,756               | 1999 |
| §39-26-716(3)(a) & (4)(a)                       | Sale, storage and use of neat cattle, sheep, lambs, poultry, swine, goats, and horse breeding stock and sales and purchases of livestock and poultry   | 154,895,827             | 1943 |
| §39-26-716(4)(a)                                | Farm auction close-out sales   | 4/                      | 1945 |
| §39-26-716(4)(a)                                | Sales of live fish for stocking  | 57,070                  | 1970 |
| §39-26-716(4)(b)                                | Sales of feed for livestock, seeds, and orchard trees  | 47,136,452              | 1943 |
| §39-26-716(4)(c)                                | Sales of straw for livestock bedding (combined with §39-26-716(4)(b) , sales of feed for livestock, seeds, and orchard trees)  | 3/                      | 1961 |
| §39-26-716(4)(c)                                | Sales of straw for poultry bedding (combined with §39-26-716(4)(b) , sales of feed for livestock, seeds, and orchard trees)  | 3/                      | 1979 |
| §39-26-717(1)(a)                                | Sales of prescription drugs  | 49,126,716              | 1965 |
| §39-26-717(1)(a)                                | Sales of insulin   | 1,267,147               | 1977 |
| §39-26-717(1)(a)                                | Sales of glucose for treatment of insulin reactions and insulin measuring and injecting devices  | 881,074                 | 1979 |
| §39-26-717(1)(b) & (c)                          | Certain medical supplies and equipment; eyeglasses, contacts, and hearing aids; therapeutic devices, appliances or related accessories   | 11,609,160              | 1980 |
| §39-26-718(1)(a)                                | Sales to charitable organizations  | 37,269,142              | 1937 |
| §39-26-718(1)(a)                                | Special events sales by veterans' organizations  | 1,137,402               | 1999 |
| §39-26-718(1)(b)                                | Occasional sales by charitable organizations (combined with §39-26-718(1)(a), Special events sales by veterans organizations)  | 3/                      | 1995 |
| §39-26-719(1)                                   | Sales of low-emitting vehicles   | < 100,000 4/            | 1999 |
| §39-26-720(1)                                   | Sales of bingo and raffle equipment  | 120,296                 | 2001 |
| §39-26-721(1)                                   | Forty-eight percent of purchase price of factory built housing   | 2,733,662               | 1979 |
| §39-26-718(1)(c)                                | Sale by an association or organization of parents and teachers of public school students that is a charitable organization   | 3/                      | 2008 |
| §39-26-722(1)                                   | Sales, storage, and use of machinery that comprises a cleanroom, in excess of \$500.00 used to produce tangible property   | 2/                      | 2007 |
| §39-26-723(1)                                   | Sales, storage, and use of wood from salvaged trees killed or infested in Colorado by mountain pine beetles  | 1,615,000               | 2008 |
| §39-26-724(1) (a)                               | Sales, storage, and use of components used in the production of alternating current electricity from a renewable energy source   | 1/                      | 2007 |
| §39-26-725(1)                                   | Sales that benefit Colorado schools  | 192,500                 | 2008 |
| §39-26-403                                      | Sales and use tax for clean technology and medical devices   | 131,000                 | 2009 |
| <b>Total 2009 Value of Sales Tax Exemptions</b> |  | <b>\$ 1,726,304,761</b> |      |

1/ Not Available

2/ Only available as a refund of sales tax paid if the total general fund for a particular fiscal year will be sufficient to increase the total general fund appropriations by 6% over such appropriations for the previous fiscal year.

3/ Amount combined with other exemption

4/ Non-Disclosable