

First Regular Session  
Sixty-eighth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 11-0075.02 Jery Payne

HOUSE BILL 11-1093

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HOUSE SPONSORSHIP

**Bradford**, Sonnenberg

SENATE SPONSORSHIP

(None),

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House Committees  
Transportation

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING THE PAYMENT OF SPECIFIC OWNERSHIP TAX ON SPECIAL  
102 MOBILE MACHINERY.

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**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>.)*

Currently, farm equipment meeting the definition of special mobile machinery must be registered as Class F personal property if it is used for any purpose other than agricultural production for more than 24 hours. **Section 1** of the bill extends the period to 72 hours. **Section 2** changes the specific ownership tax on special mobile machinery that is at least 10

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

years old to \$5.

Currently, the penalty for failure to register or reregister special mobile machinery is the greater of \$500 or double the amount of tax due. **Section 3** changes the penalty to the lesser of those amounts.

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

2 **SECTION 1.** 42-3-106 (2) (e), Colorado Revised Statutes, is  
3 amended to read:

4 **42-3-106. Tax imposed - classification - taxable value.** (2) For  
5 the purpose of imposing graduated annual specific ownership taxes, the  
6 personal property specified in section 6 of article X of the state  
7 constitution is classified as follows:

8 (e) Every item of special mobile machinery, except power takeoff  
9 equipment, that is required to be registered under this article is Class F  
10 personal property. If a farm tractor, meeting the definition of special  
11 mobile machinery, is used for any purpose other than agricultural  
12 production for more than a ~~twenty-four-hour~~ SEVENTY-TWO-HOUR period  
13 at the site where it is used for nonagricultural purposes, it is Class F  
14 personal property, but it ~~shall be~~ IS granted a prorated registration under  
15 section 42-3-107 to cover ~~such~~ THE use. The authorized agent shall notify  
16 the owner of the farm tractor of the prorated registration. Storing a farm  
17 tractor at a site does not give rise to a presumption that the tractor was  
18 used for the same purposes that other equipment is used for at the site.

19 **SECTION 2.** 42-3-107 (15) (e) and (17) (e) (II), Colorado  
20 Revised Statutes, are amended to read:

21 **42-3-107. Taxable value of classes of property - rate of tax -**  
22 **when and where payable - department duties - apportionment of tax**  
23 **collections - definitions.** (15) (e) The annual specific ownership tax

1 payable on each item of Class F personal property shall be computed in  
2 accordance with the following schedule:

3 <b>Year of service</b>	<b>Rate of tax</b>
4 First year	2.10% of taxable value
5 Second year	1.50% of taxable value
6 Third year	1.25% of taxable value
7 Fourth year	1.00% of taxable value
8 Fifth year	.75% of taxable value
9 Sixth, and each later year	.50% of taxable value,
10 SEVENTH, EIGHTH, AND NINTH YEARS	but not less than \$5
11 TENTH AND EACH LATER YEAR	\$5

12 (17) (e) (II) ~~No owner may~~ A PERSON SHALL NOT operate special  
13 mobile machinery in Colorado unless the owner has paid the specific  
14 ownership tax assessed pursuant to this article, ~~nor~~ AND A PERSON shall  
15 ~~any owner~~ NOT operate special mobile machinery in Colorado after the  
16 expiration of the period for which the specific ownership tax was assessed  
17 PAID. A person who violates ~~the provisions of this subparagraph (II) shall~~  
18 ~~be~~ IS subject to, in addition to any other ~~applicable~~ penalty, an  
19 administrative penalty of THE LESSER OF five hundred dollars or double  
20 the amount of the specific ownership tax. ~~whichever is greater. Such~~ THE  
21 penalty may be levied by a peace officer ~~as described in section~~  
22 ~~16-2.5-101, C.R.S., and authorized~~ UNDER THE AUTHORITY GRANTED by  
23 section 42-8-104 (2). ~~Such~~ THE violation ~~shall be~~ IS TO BE determined by,  
24 paid to, and retained by the municipality or county ~~in which such~~ WHERE  
25 THE motor vehicle is or should have been registered, subject to judicial  
26 review pursuant to rule 106 (a) (4) of the Colorado rules of civil  
27 procedure.

1           **SECTION 3. Act subject to petition - effective date.** This act  
2 shall take effect at 12:01 a.m. on the day following the expiration of the  
3 ninety-day period after final adjournment of the general assembly (August  
4 10, 2011, if adjournment sine die is on May 11, 2011); except that, if a  
5 referendum petition is filed pursuant to section 1 (3) of article V of the  
6 state constitution against this act or an item, section, or part of this act  
7 within such period, then the act, item, section, or part shall not take effect  
8 unless approved by the people at the general election to be held in  
9 November 2012 and shall take effect on the date of the official  
10 declaration of the vote thereon by the governor.