

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 19-0780.01 Jery Payne x2157

HOUSE BILL 19-1138

HOUSE SPONSORSHIP

Williams D. and Melton, Humphrey

SENATE SPONSORSHIP

(None),

House Committees

Transportation & Local Government
Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE CREDIT AN OWNER OF A VEHICLE MAY RECEIVE FOR**
102 **FEES PAID TO REGISTER A MOTOR VEHICLE WHEN THE VEHICLE**
103 **IS SOLD BEFORE THE REGISTRATION EXPIRES.**

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://leg.colorado.gov>.)

Current law allows a prorated credit for the taxes paid on a vehicle that is sold before the registration year ends. The credit is applied to vehicles subsequently registered. The bill broadens this credit to cover most registration fees.

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

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 (25) 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 - repeal.** (25) (a) (I) EXCEPT AS
7 PROVIDED IN SUBSECTION (25)(b) OF THIS SECTION, THE DEPARTMENT
8 SHALL ALLOW a credit ~~shall be allowed~~ for taxes AND REGISTRATION FEES
9 paid on any item of Class A, Class B, Class C, Class D, or Class F
10 personal property if the owner disposes of the vehicle during the
11 registration period or if the owner converts the vehicle from any class of
12 personal property to Class F property. The credit may apply to payments
13 of taxes AND REGISTRATION FEES on a subsequent application by the
14 owner for registration of an item of Class A, Class B, Class C, Class D,
15 or Class F personal property made during the registration period, or THE
16 CREDIT may be assigned by the owner to the transferee of the property for
17 which taxes OR REGISTRATION FEES were paid; except that, when the
18 transferee is a dealer in new or used vehicles, the transferee shall account
19 to the owner for any assignment of the credit.

20 (II) The credit ~~shall be~~ AUTHORIZED BY THIS SUBSECTION (25)(a)
21 IS prorated based on the number of months remaining in the registration
22 period after the transfer and disposal of the vehicle. The PRORATION
23 calculation for the credit ~~shall be determined by using the period~~
24 ~~beginning~~ BEGINS with the first day of the month ~~following the date of~~
25 AFTER THE transfer ~~through~~ AND ENDS the last day of the month ~~for the~~
26 ~~period~~ for which the vehicle was registered.

1 (III) ~~Specific ownership tax~~ THE CREDIT ~~will be~~ IS allowed only if
2 the total ownership tax AND REGISTRATION FEE credit due exceeds ten
3 dollars.

4 (b) THE CREDIT AUTHORIZED IN SUBSECTION (25)(a) OF THIS
5 SECTION DOES NOT APPLY TO FEES IMPOSED IN SECTIONS 42-3-301,
6 42-3-304 (5), (6), (7), (19), AND (22), 42-3-312, AND 42-3-313.

7 **SECTION 2. Act subject to petition - effective date -**
8 **applicability.** (1) This act takes effect January 1, 2020; except that, if a
9 referendum petition is filed pursuant to section 1 (3) of article V of the
10 state constitution against this act or an item, section, or part of this act
11 within the ninety-day period after final adjournment of the general
12 assembly, then the act, item, section, or part will not take effect unless
13 approved by the people at the general election to be held in November
14 2020 and, in such case, will take effect on the date of the official
15 declaration of the vote thereon by the governor.

16 (2) This act applies to taxes or fees due on or after the applicable
17 effective date of this act.