

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 20-0996.01 Esther van Mourik x4215

HOUSE BILL 20-1303

HOUSE SPONSORSHIP

Benavidez and Snyder,

SENATE SPONSORSHIP

(None),

House Committees
Finance

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE REPEAL OF THE EXEMPTION FOR THE SALE OF
102 SACRAMENTAL WINES USED FOR RELIGIOUS PURPOSES FROM
103 THE EXCISE TAX ON ALCOHOL BEVERAGES.

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>.)

The bill repeals the exemption for the sale or distribution of sacramental wines used for religious purposes from the excise tax on alcohol beverages. However, the bill maintains the current law that exempts religious organizations that distribute sacramental wines for religious purposes from needing to maintain a liquor license.

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. Legislative declaration.** (1) The general assembly
3 finds and declares that:

4 (a) Current law exempts the sale or distribution of sacramental
5 wines used for religious purposes from the excise tax on alcohol
6 beverages;

7 (b) Due to the narrow scope of this excise tax exemption, it is
8 claimed by a small number of taxpayers for a total amount of only \$2,600;
9 and

10 (c) The tax expenditure's narrow scope also prevents it from
11 applying to some religions and there is no corresponding excise tax
12 exemption for religious organizations that use other goods with excise
13 taxes for religious ceremonies.

14 (2) Therefore, it is the intent of the general assembly to simplify
15 the collection and administration of taxes for the state of Colorado and to
16 relieve taxpayers' confusion and vendors' administrative burdens by
17 repealing tax expenditures that are rarely claimed and that are only
18 available for one religion.

19 **SECTION 2.** In Colorado Revised Statutes, 44-3-106, **amend** (1)
20 as follows:

21 **44-3-106. Exemptions.** (1) (a) ~~The provisions of this article 3~~
22 ~~shall not apply to the sale or distribution of sacramental wines sold and~~
23 ~~used for religious purposes.~~ EXCEPT AS PROVIDED IN SUBSECTION (1)(b)
24 OF THIS SECTION, THE REQUIREMENTS SET FORTH IN THIS ARTICLE 3 DO
25 NOT APPLY TO ANY RELIGIOUS ORGANIZATION THAT DISTRIBUTES
26 SACRAMENTAL WINES FOR RELIGIOUS PURPOSES.

1 (b) THE SALE OR DISTRIBUTION OF SACRAMENTAL WINES USED FOR
2 RELIGIOUS PURPOSES IS SUBJECT TO THE EXCISE TAX AS SPECIFIED IN
3 SECTION 44-3-503.

4 **SECTION 3. Act subject to petition - effective date -**
5 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
6 the expiration of the ninety-day period after final adjournment of the
7 general assembly (August 5, 2020, if adjournment sine die is on May 6,
8 2020); except that, if a referendum petition is filed pursuant to section 1
9 (3) of article V of the state constitution against this act or an item, section,
10 or part of this act within such period, then the act, item, section, or part
11 will not take effect unless approved by the people at the general election
12 to be held in November 2020 and, in such case, will take effect on the
13 date of the official declaration of the vote thereon by the governor.

14 (2) This act applies to the excise tax on sacramental wines used
15 for religious purposes levied on or after January 1, 2021.