

Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 14-0990.01 Esther van Mourik x4215

HOUSE BILL 14-1325

HOUSE SPONSORSHIP

Fischer,

SENATE SPONSORSHIP

Heath,

House Committees
Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE REFUND OF STATE SALES AND USE TAX FOR CLEAN**
102 **TECHNOLOGY AND MEDICAL DEVICES, AND, IN CONNECTION**
103 **THEREWITH, LIMITING THE EFFECT OF A STATUTORY TRIGGER,**
104 **CLARIFYING THAT THE REFUND WAS AVAILABLE FOR THE 2009**
105 **CALENDAR YEAR, AND CLARIFYING THAT THE REFUND IS**
106 **AVAILABLE FOR THE ENTIRE 2014 CALENDAR YEAR.**

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>.)

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.

Current law provides a sales and use tax refund, not to exceed \$50,000, to a qualified clean technology or medical device taxpayer for all state sales and use tax paid by such taxpayer on the sale, storage, use, or consumption of tangible personal property to be used in Colorado directly and predominantly in research and development of clean technology or medical devices during a calendar year. The statute was passed with a trigger specifying that the refund was only available if total state general fund appropriations increased by 6% over such appropriations for the previous fiscal year. The application of the trigger resulted in confusion as to the availability of the refund for the 2009 calendar year. The current law also includes a repealer effective July 1, 2014, and the repealer makes it unclear whether the refund is available for the 2014 calendar year.

The bill addresses the confusion by specifying that the refund was available for the 2009 calendar year and by making clear that the refund is available for the 2014 calendar year.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-26-403, **amend**
3 (1), (3) (b), and (4) as follows:

4 **39-26-403. Refund of state sales and use tax for clean**
5 **technology and medical devices - application requirements and**
6 **procedures - repeal.** (1) For the calendar year commencing January 1,
7 2009, and for each calendar year thereafter, BUT BEFORE THE CALENDAR
8 YEAR COMMENCING JANUARY 1, 2015, each qualified clean technology or
9 medical device taxpayer shall be allowed to claim a refund of all state
10 sales and use tax paid by the qualified clean technology or medical device
11 taxpayer, pursuant to parts 1 and 2 of this article, on the sale, storage, use,
12 or consumption of tangible personal property to be used in Colorado
13 directly and predominately in research and development of clean
14 technology or medical devices during that calendar year.

15 (3) Notwithstanding the provisions of subsection (1) of this
16 section:

1 (b) (I) If the revenue estimate prepared by the staff of the
2 legislative council in December 2009 and each December thereafter
3 THROUGH DECEMBER 2012 indicates that the amount of the total general
4 fund revenues for a particular fiscal year will not be sufficient to increase
5 the total state general fund appropriations by six percent over such
6 appropriations for the previous fiscal year, then the refund authorized in
7 subsection (1) of this section shall not be allowed for the next calendar
8 year following the year in which the estimate is prepared. A qualified
9 clean technology or medical device taxpayer who would have been
10 eligible to claim a refund pursuant to this section in a calendar year in
11 which the refund was not allowed may claim said refund in the next
12 calendar year in which the revenue estimate allows the refund. The
13 department of revenue shall, through its web site, specify on or before
14 January 1, 2010, and on or before each January 1 thereafter THROUGH
15 JANUARY 1, 2013, whether the refund authorized in subsection (1) of this
16 section shall be allowed for ~~a given~~ THE APPLICABLE calendar year.

17 (II) NOTWITHSTANDING ANYTHING IN SUBPARAGRAPH (I) OF THIS
18 PARAGRAPH (b) TO THE CONTRARY, THE REFUND AUTHORIZED IN
19 SUBSECTION (1) OF THIS SECTION IS AVAILABLE FOR THE 2009 CALENDAR
20 YEAR TO BE CLAIMED IN THE 2014 CALENDAR YEAR.

21 (4) This section is repealed, effective ~~July 1, 2014~~ DECEMBER 31,
22 2015.

23 **SECTION 2. Safety clause.** The general assembly hereby finds,
24 determines, and declares that this act is necessary for the immediate
25 preservation of the public peace, health, and safety.