

First Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO

REVISED

*This Version Includes All Amendments Adopted  
on Second Reading in the Second House*

LLS NO. 23-0240.01 Jed Franklin x5484

SENATE BILL 23-049

SENATE SPONSORSHIP

Zenzinger and Van Winkle,

HOUSE SPONSORSHIP

Snyder and Bockenfeld,

Senate Committees

Finance  
Appropriations

House Committees

Finance  
Appropriations

A BILL FOR AN ACT

101 CONCERNING THE REGISTRATION EXEMPTION FOR SPECIAL MOBILE  
102 MACHINERY, AND, IN CONNECTION THEREWITH, ELIMINATING  
103 THE REQUIREMENT THAT AN OWNER OF SUCH MACHINERY  
104 REGULARLY HAVE AT LEAST ONE THOUSAND ITEMS OF SUCH  
105 MACHINERY IN THE STATE TO OBTAIN A REGISTRATION EXEMPT  
106 CERTIFICATE FOR THE MACHINERY AND MAKING AN  
107 APPROPRIATION.

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>.)*

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

HOUSE  
Amended 2nd Reading  
April 21, 2023

SENATE  
3rd Reading Unamended  
March 13, 2023

SENATE  
Amended 2nd Reading  
March 10, 2023

Under current law, an owner of special mobile machinery may obtain from the department of revenue a registration exempt certificate for the special mobile machinery only if the owner regularly has 1,000 or more items of special mobile machinery in the state. The bill allows an owner of any amount of special mobile machinery located in the state to obtain a registration exempt certificate for the special mobile machinery.

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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 **(16)(d)(III), (16)(g)(I)(A), (16)(g)(I)(C), (16)(g)(I)(D), AND (16)(g)(III);**  
4 **and add (16)(g)(I)(E) and (16)(g)(V)** as follows:

5 **42-3-107. Taxable value of classes of property - rate of tax -**  
6 **when and where payable - department duties - apportionment of tax**  
7 **collections - definitions - rules - repeal.** (16) (d) (III) The  
8 department shall allow the owner to file the report electronically with the  
9 department of revenue either by electronic transmission or by  
10 electronically readable media as determined by rule. If the filing is made  
11 under this ~~subparagraph (H)~~ SUBSECTION (16)(d)(III), the owner ~~need not~~  
12 ~~DOES NOT NEED TO~~ file with the authorized agent. The department shall  
13 make the information in the report available to the authorized agents in  
14 the counties where the equipment is rented or used. EXCEPT AS PROVIDED  
15 IN SUBSECTION (16)(g)(II) OF THIS SECTION, this ~~subparagraph (H)~~  
16 SUBSECTION (16)(d)(III) does not relieve the owner of the requirement to  
17 remit payment of the tax to the county in accordance with ~~subparagraph~~  
18 ~~(H) of paragraph (c) of this subsection (16)~~ SUBSECTION (16)(c)(II) OF  
19 THIS SECTION.

20 (16) (g) (I) An owner of special mobile machinery who pays  
21 specific ownership taxes in accordance with this subsection (16) may  
22 apply to the department for a registration exempt certificate, which the

1 department shall issue to the owner if:

2 (A) The department verifies that the owner regularly has ~~one~~  
3 ~~thousand or more items of such~~ AT LEAST TWO HUNDRED FIFTY ITEMS OF  
4 special mobile machinery in the state;

5 (C) Each item of ~~such~~ special mobile machinery bears a visible  
6 and readily identifiable unique identification number assigned by the  
7 owner; ~~and~~

8 (D) Each item of ~~such~~ special mobile machinery bears a visible  
9 toll-free telephone number for the owner that can be used for verification  
10 of ownership; AND

11 (E) THE OWNER OF THE SPECIAL MOBILE MACHINERY HAS PAID ALL  
12 FEES AND SURCHARGES REFERENCED IN THIS SECTION.

13 (16)(g)(III) An item of special mobile machinery that is owned  
14 by a person to whom the department has issued a registration exempt  
15 certificate is not required to be registered, and the department shall not  
16 require the owner of THE special mobile machinery to obtain license  
17 plates, annual validating tabs, or identifying decals for the item of special  
18 mobile machinery. Notwithstanding the exemptions from registration and  
19 licensing requirements for any such item of special mobile machinery, at  
20 the time during each calendar year in which specific ownership tax is first  
21 paid for the item as required by subsection (16)(c)(II) of this section,  
22 UPON THE APPLICATION, RENEWAL, OR EXPIRATION OF A REGISTRATION  
23 EXEMPT CERTIFICATE, the owner of the item shall also pay directly to the  
24 department all fees and surcharges SURCHARGES, AS INDICATED IN  
25 SUBSECTION (16)(g)(V) OF THIS SECTION, that would otherwise be paid at  
26 the time of registration PURSUANT TO SUBSECTION (16)(g)(V) OF THIS  
27 SECTION; except that the owner shall not pay any fee imposed pursuant to

1 section 42-3-301 for the purpose of covering the direct costs of license  
2 plates, decals, or validating tabs or any fee that would otherwise be  
3 retained by an authorized agent for the purpose of defraying the direct  
4 costs incurred by the authorized agent in registering or issuing license  
5 plates, decals, or validating tabs for the item. The department shall  
6 transmit all additional registration fees imposed pursuant to section  
7 42-3-310 that it receives from owners of special mobile machinery to  
8 whom the department has issued a registration exempt certificate to the  
9 county treasurer of each county of the state in proportion to the total  
10 amount of vehicle registrations statewide represented by vehicle  
11 registrations within the county, and each county treasurer shall apportion  
12 the fees within the county in the manner specified in section 42-3-310.

13 (V) AN OWNER OF AN ITEM OF SPECIAL MOBILE MACHINERY  
14 THAT IS ISSUED A REGISTRATION EXEMPT CERTIFICATE PURSUANT TO THIS  
15 SUBSECTION (16)(g) SHALL PAY, FOR EACH ITEM OF SPECIAL MOBILE  
16 MACHINERY, ALL FEES AND SURCHARGES THAT WOULD OTHERWISE BE  
17 PAID AT THE TIME OF REGISTRATION AND ANY OTHER FEES AND  
18 SURCHARGES DUE.

19 (A) UPON APPLICATION FOR A REGISTRATION EXEMPT CERTIFICATE  
20 FOR AN ITEM OF SPECIAL MOBILE MACHINERY, THE OWNER SHALL SUBMIT  
21 A REPORT TO THE DEPARTMENT THAT IDENTIFIES ALL OF THE OWNER'S  
22 SPECIAL MOBILE MACHINERY LOCATED IN THE STATE AT THE TIME OF  
23 SUBMITTAL OF THE REPORT. THE REPORT MUST BE ON A FORM FURNISHED  
24 BY THE DEPARTMENT. WHEN A REGISTRATION EXEMPT CERTIFICATE  
25 APPLICATION IS APPROVED, AN OWNER SHALL MAKE PAYMENT DIRECTLY  
26 TO THE DEPARTMENT FOR ANY ITEM OF SPECIAL MOBILE MACHINERY THAT  
27 IS CURRENTLY IN THE STATE, AS IDENTIFIED IN THE REPORT. AN OWNER

1 SHALL PAY FOR EACH ITEM OF SPECIAL MOBILE MACHINERY AN AMOUNT  
2 BASED ON THE PERIOD COVERED BY THE ISSUED REGISTRATION EXEMPT  
3 CERTIFICATE.

4 (B) UPON A REQUEST FOR RENEWAL OF A REGISTRATION EXEMPT  
5 CERTIFICATE FOR AN ITEM OF SPECIAL MOBILE MACHINERY, THE OWNER  
6 SHALL SUBMIT A REPORT TO THE DEPARTMENT THAT IDENTIFIES ALL OF  
7 THE OWNER'S SPECIAL MOBILE MACHINERY LOCATED IN THE STATE AT THE  
8 TIME OF SUBMITTAL OF THE REPORT AND THAT IDENTIFIES EACH ITEM OF  
9 THE OWNER'S SPECIAL MOBILE MACHINERY THAT IS NEW OR WAS  
10 DELIVERED OR OPERATED IN THE STATE DURING THE PERIOD COVERED BY  
11 THE EXPIRING REGISTRATION EXEMPT CERTIFICATE. THE REPORT MUST BE  
12 ON A FORM FURNISHED BY THE DEPARTMENT. UPON APPROVAL BY THE  
13 DEPARTMENT OF A REQUEST FOR RENEWAL OF A REGISTRATION EXEMPT  
14 CERTIFICATE, AN OWNER SHALL PAY THE DEPARTMENT FOR EACH ITEM OF  
15 SPECIAL MOBILE MACHINERY LOCATED IN THE STATE AT THE TIME OF  
16 SUBMITTAL OF THE REPORT AND FOR EACH ITEM OF SPECIAL MOBILE  
17 MACHINERY THAT IS NEW OR WAS DELIVERED OR OPERATED IN THE STATE  
18 DURING THE PERIOD COVERED BY THE PRECEDING REGISTRATION EXEMPT  
19 CERTIFICATE, AS INDICATED IN THE REPORT. FOR EACH ITEM OF SPECIAL  
20 MOBILE MACHINERY THAT IS NEW OR WAS DELIVERED OR OPERATED IN THE  
21 STATE DURING THE TERM OF THE EXPIRING REGISTRATION EXEMPT  
22 CERTIFICATE, THE OWNER SHALL PAY THE DEPARTMENT FOR EACH ITEM  
23 BASED ON A PERIOD BEGINNING IN THE MONTH WHEN A NEW, DELIVERED,  
24 OR OPERATED ITEM OF SPECIAL MOBILE MACHINERY WAS ADDED AND  
25 ENDING ON THE EXPIRATION DATE OF THE EXPIRING REGISTRATION  
26 EXEMPT CERTIFICATE.

27 (C) WITHIN TWENTY DAYS AFTER THE EXPIRATION OF A

1 REGISTRATION EXEMPT CERTIFICATE WHICH HAS NOT BEEN RENEWED, AN  
2 OWNER SHALL SUBMIT A REPORT TO THE DEPARTMENT THAT IDENTIFIES  
3 EACH ITEM OF SPECIAL MOBILE MACHINERY THAT IS NEW, WAS DELIVERED,  
4 OR WAS OPERATED DURING THE TERM OF THE PREVIOUS REGISTRATION  
5 EXEMPT CERTIFICATE. THE REPORT MUST BE ON A FORM FURNISHED BY  
6 THE DEPARTMENT. FOR EACH ITEM OF SPECIAL MOBILE MACHINERY THAT  
7 IS NEW, WAS DELIVERED, OR WAS OPERATED DURING THE TERM OF THE  
8 PREVIOUS REGISTRATION EXEMPT CERTIFICATE, THE OWNER SHALL PAY  
9 THE DEPARTMENT BASED ON THE PERIOD BEGINNING IN THE MONTH WHEN  
10 THE NEW, DELIVERED, OR OPERATED MACHINERY WAS ADDED AND ENDING  
11 ON THE EXPIRATION DATE OF THE EXPIRING REGISTRATION EXEMPT  
12 CERTIFICATE.

13  
14 **SECTION 2. Appropriation.** (1) For the 2023-24 state fiscal  
15 year, \$113,476 is appropriated to the department of revenue for use by the  
16 division of motor vehicles. This appropriation is from Colorado DRIVES  
17 vehicle services account in the highway users tax fund created in section  
18 42-1-211 (2), C.R.S. To implement this act, the division may use this  
19 appropriation as follows:

20 (a) \$47,492 for personal services related to vehicle services,  
21 which amount is based on an assumption that the division will require an  
22 additional 0.8 FTE;

23 (b) \$12,962 for operating expenses related to vehicle services; and

24 (c) \$53,022 for DRIVES maintenance and support.

25 **SECTION 3. Act subject to petition - effective date.** This act  
26 takes effect at 12:01 a.m. on the day following the expiration of the  
27 ninety-day period after final adjournment of the general assembly; except

1 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
2 of the state constitution against this act or an item, section, or part of this  
3 act within such period, then the act, item, section, or part will not take  
4 effect unless approved by the people at the general election to be held in  
5 November 2024 and, in such case, will take effect on the date of the  
6 official declaration of the vote thereon by the governor.