

HOUSE COMMITTEE OF REFERENCE REPORT

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Chair of Committee

April 1, 2024  
Date

Committee on Finance.

After consideration on the merits, the Committee recommends the following:

HB24-1349 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend printed bill, page 7, strike line 13 and substitute:

2 "(3) "DOING BUSINESS IN THIS STATE" MEANS THE SELLING,  
3 LEASING, OR DELIVERING IN THIS STATE, OR ANY ACTIVITY IN THIS STATE  
4 IN CONNECTION WITH THE SELLING, LEASING, OR DELIVERING IN THIS  
5 STATE, OF FIREARMS, FIREARMS PRECURSOR PARTS, OR AMMUNITION BY  
6 A RETAIL SALE, FOR USE, STORAGE, DISTRIBUTION, OR CONSUMPTION,  
7 WITHIN THIS STATE BY A PERSON WHO:

8 (a) MAINTAINS WITHIN THIS STATE, DIRECTLY OR INDIRECTLY OR  
9 BY A SUBSIDIARY, AN OFFICE, DISTRIBUTION FACILITY, SALESROOM,  
10 WAREHOUSE, STORAGE PLACE, OR OTHER SIMILAR PLACE OF BUSINESS,  
11 INCLUDING THE EMPLOYMENT OF A RESIDENT OF THIS STATE WHO WORKS  
12 FROM A HOME OFFICE IN THIS STATE; OR

13 (b) SOLICITS, EITHER BY DIRECT REPRESENTATIVES, INDIRECT  
14 REPRESENTATIVES, MANUFACTURERS' AGENTS, BY DISTRIBUTION OF  
15 CATALOGUES OR OTHER ADVERTISING, BY USE OF ANY COMMUNICATION  
16 MEDIA, OR BY USE OF THE NEWSPAPER, RADIO, OR TELEVISION  
17 ADVERTISING MEDIA, OR BY ANY OTHER MEANS WHATSOEVER, BUSINESS  
18 FROM PERSONS RESIDING IN THIS STATE AND BY REASON THEREOF  
19 RECEIVING ORDERS FROM, OR SELLING OR LEASING TANGIBLE PERSONAL  
20 PROPERTY TO, SUCH PERSONS RESIDING IN THIS STATE FOR USE,  
21 CONSUMPTION, DISTRIBUTION, AND STORAGE, FOR USE OR CONSUMPTION  
22 IN THIS STATE DURING THE FOLLOWING PERIODS:

23 (I) AN ENTIRE CALENDAR YEAR IF, IN THE PREVIOUS CALENDAR  
24 YEAR, THE PERSON HAS MADE RETAIL SALES OF FIREARMS, FIREARMS  
25 PRECURSOR PARTS, OR AMMUNITION IN THIS STATE EXCEEDING TWENTY  
26 THOUSAND DOLLARS; OR

27 (II) ON AND AFTER THE FIRST DAY OF THE MONTH AFTER THE

1 NINETIETH DAY AFTER THE PERSON HAS MADE RETAIL SALES OF FIREARMS,  
2 FIREARMS PRECURSOR PARTS, OR AMMUNITION IN THIS STATE IN THE  
3 CURRENT CALENDAR YEAR THAT EXCEED TWENTY THOUSAND DOLLARS.

4 (4) "EXCISE TAX" OR "TAX" MEANS THE TAX IMPOSED BY THIS  
5 ARTICLE 37.

6 (5) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF  
7 THE DEPARTMENT OF REVENUE."

8 Renumber succeeding paragraphs accordingly.

9 Page 8, line 3, strike "AND" and substitute "OR".

10 Page 8, line 7, after "FIREARMS DEALER" insert "OR "GUN DEALER"".

11 Page 8, line 10, after "FIREARMS MANUFACTURER" insert "OR "GUN  
12 MANUFACTURER"".

13 Page 8, strike lines 17 and 18.

14 Renumber succeeding sections accordingly.

15 Page 8, after line 24, insert:

16 "(12) "NET TAXABLE SALES" MEANS THE AGGREGATE PURCHASE  
17 PRICE RECEIVED OR DUE IN MONEY, CREDITS, OR PROPERTY, OR OTHER  
18 CONSIDERATION VALUED IN MONEY FROM ALL RETAIL SALES WITHIN THIS  
19 STATE, AND EMBRACED WITHIN THE PROVISIONS OF THIS ARTICLE, LESS  
20 DEDUCTIONS FOR:

21 (a) AN AMOUNT EQUAL TO THE PURCHASE PRICE OF PROPERTY  
22 EXEMPT FROM TAX PURSUANT TO SECTION 39-37-105;

23 (b) AN AMOUNT EQUAL TO THE PURCHASE PRICE OF PROPERTY  
24 RETURNED BY THE PURCHASER WHEN THE FULL SALE PRICE THEREOF IS  
25 REFUNDED WHETHER IN CASH OR BY CREDIT; AND

26 (c) AN AMOUNT EQUAL TO THE PURCHASE PRICE OF PROPERTY  
27 SOLD ON ACCOUNT FOUND TO BE WORTHLESS AND ACTUALLY CHARGED  
28 OFF BY THE TAXPAYER FOR INCOME TAX PURPOSES, BUT IF ANY SUCH  
29 ACCOUNTS ARE THEREAFTER COLLECTED BY THE TAXPAYER, A TAX SHALL  
30 BE PAID UPON THE AMOUNTS COLLECTED."

31 Renumber succeeding subsections accordingly.

32 Page 9, strike lines 4 and 5 and substitute:

1           "(14) "PERSON" HAS THE SAME MEANING AS SET FORTH IN SECTION  
2 39-26-102 (6.3).  
3           (15) (a) "PURCHASE PRICE" MEANS THE AGGREGATE  
4 CONSIDERATION VALUED IN MONEY PAID OR DELIVERED OR PROMISED TO  
5 BE PAID OR DELIVERED BY THE USER OR CONSUMER IN CONSUMMATION OF  
6 A SALE, EXCLUSIVE OF:  
7           (I) THE EXCISE TAX;  
8           (II) ANY DIRECT TAX IMPOSED BY THE FEDERAL GOVERNMENT;  
9           (III) ANY SALES OR USE TAX IMPOSED BY THIS STATE OR BY ANY  
10 POLITICAL SUBDIVISION THEREOF;  
11           (IV) ANY RETAIL DELIVERY FEE AND ENTERPRISE RETAIL  
12 DELIVERY FEES IMPOSED OR COLLECTED AS SPECIFIED IN SECTION  
13 43-4-218;  
14           (V) ANOTHER TAX OR FEE IMPOSED BY A GOVERNMENTAL ENTITY  
15 THAT IS COLLECTED AT THE SAME TIME AS THE EXCISE TAX.  
16           (b) FOR PURPOSES OF THIS ARTICLE 37, "PURCHASE PRICE"  
17 INCLUDES THE FULL PURCHASE PRICE OF THE FIREARM, FIREARM  
18 PRECURSOR PART, OR AMMUNITION SOLD AFTER MANUFACTURE OR AFTER  
19 HAVING BEEN MADE TO ORDER AND INCLUDES THE FULL PURCHASE PRICE  
20 FOR MATERIAL USED AND THE SERVICE PERFORMED IN CONNECTION  
21 THEREWITH, AND THE PROFIT THEREON, INCLUDED IN THE PRICE CHARGED  
22 TO THE USER OR CONSUMER.  
23           (16) "RETAIL SALE" MEANS ALL SALES MADE WITHIN THIS STATE  
24 EXCEPT WHOLESALE SALES.  
25           (17) "SALE" MEANS THE ACQUISITION FOR ANY CONSIDERATION BY  
26 ANY PERSON OF A FIREARM, FIREARM PRECURSOR PART, OR AMMUNITION  
27 SUBJECT TO THE EXCISE TAX INCLUDING INSTALLMENT AND CREDIT SALES  
28 AND THE EXCHANGE OF SUCH PROPERTY AS WELL AS THE SALE THEREOF  
29 FOR MONEY AND EVERY SUCH TRANSACTION, CONDITIONAL OR  
30 OTHERWISE, FOR A CONSIDERATION CONSTITUTING A SALE.  
31           (18) "VENDOR" MEANS A PERSON DOING BUSINESS IN THIS STATE  
32 AS AN AMMUNITION VENDOR, FIREARMS DEALER, OR A FIREARMS  
33 MANUFACTURER OR ANY COMBINATION THEREOF.  
34           (19) "WHOLESALE" MEANS A PERSON DOING A REGULARLY  
35 ORGANIZED WHOLESALE OR JOBBING BUSINESS AND KNOWN TO THE TRADE  
36 AS SUCH AND SELLING TO RETAIL MERCHANTS, JOBBERS, DEALERS, OR  
37 OTHER WHOLESALESALE, FOR THE PURPOSE OF RESALE.  
38           (20) (a) "WHOLESALE SALE" MEANS:  
39           (I) A SALE BY A WHOLESALE TO A VENDOR OR OTHER  
40 WHOLESALE FOR RESALE; OR  
41           (II) A SALE TO A PERSON ENGAGED IN THE BUSINESS OF  
42 MANUFACTURING, COMPOUNDING, OR FURNISHING FOR SALE, PROFIT, OR  
43 USE ANY PROPERTY WHICH ENTERS INTO THE PROCESSING OF OR BECOMES

1 AN INGREDIENT OR COMPONENT PART OF THE PRODUCT WHICH IS  
2 MANUFACTURED, COMPOUNDED, OR FURNISHED.

3 (b) "WHOLESALE SALE" DOES NOT INCLUDE A SALE BY A  
4 WHOLESALER TO A USER OR CONSUMER NOT FOR RESALE."

5 Page 9, line 7, after "rate." insert "(1)".

6 Page 9, strike line 9.

7 Page 9, line 10, strike "VENDORS" and substitute "EVERY VENDOR" and  
8 strike "ELEVEN" and substitute "NINE".

9 Page 9, lines 12 and 13, strike "A FIREARMS DEALER, FIREARMS  
10 MANUFACTURER, OR AMMUNITION" and substitute "EVERY".

11 Page 9, strike line 16 and substitute:

12 "(2) THE DETERMINATION OF WHETHER A RETAIL SALE OCCURS IN  
13 THIS STATE IS GOVERNED BY THE PROVISIONS SET FORTH IN SECTION  
14 39-26-104 (3)(a)(I) TO (3)(a)(V) AND THE DEFINITIONS SET FORTH IN  
15 SECTION 39-26-104 (3)(d)(I) AND (3)(d)(II).

16 **39-37-105. Exemption.** THE PURCHASE PRICE PAID IN  
17 CONSUMMATION OF".

18 Page 9, line 19, strike "ARE" and substitute "IS".

19 Page 9, strike lines 21 through 27.

20 Page 10, strike lines 1 and 2 and substitute:

21 **"39-37-106. Administration and enforcement - disputes and**  
22 **refunds - rules. (1) THE".**

23 Page 10, strike lines 5 through 12 and substitute "ARTICLE 21 OF THIS  
24 TITLE 39.

25 (2) THE BURDEN OF PROVING THAT A SALE OF A FIREARM, FIREARM  
26 PRECURSOR PART, OR AMMUNITION IS NOT SUBJECT TO OR IS EXEMPT FROM  
27 THE EXCISE TAX, OR THAT A VENDOR IS NOT DOING BUSINESS IN THIS  
28 STATE, AS DEFINED IN SECTION 39-37-103 (3), OR IS OTHERWISE NOT  
29 REQUIRED TO MAKE A RETURN OR TO REMIT TAX PURSUANT TO THIS  
30 ARTICLE 37, SHALL BE ON THE VENDOR UNDER SUCH REASONABLE  
31 REQUIREMENTS OF PROOF AS THE EXECUTIVE DIRECTOR MAY PRESCRIBE  
32 BY RULE.

1 (3) (a) THE EXECUTIVE DIRECTOR SHALL MAKE A REFUND OR  
2 ALLOW A CREDIT TO ANY VENDOR THAT ESTABLISHES THAT THE VENDOR  
3 HAS OVERPAID THE TAX DUE PURSUANT TO THIS ARTICLE 37. NO SUCH  
4 REFUND SHALL BE MADE OR CREDIT ALLOWED IN AN AMOUNT GREATER  
5 THAN THE TAX PAID.

6 (b) THE VENDOR MUST FILE ANY CLAIM FOR REFUND OR CREDIT  
7 UNDER THIS SECTION WITHIN THREE YEARS AFTER THE DUE DATE OF THE  
8 RETURN SHOWING THE OVERPAYMENT. THE CLAIM MUST BE MADE ON  
9 FORMS PRESCRIBED BY THE EXECUTIVE DIRECTOR AND MUST INCLUDE  
10 SUCH PERTINENT DATA, INFORMATION, OR DOCUMENTATION AS THE  
11 EXECUTIVE DIRECTOR MAY REQUIRE.

12 (c) UPON RECEIPT OF THE APPLICATION AND PROOF OF THE  
13 MATTERS CONTAINED THEREIN, THE EXECUTIVE DIRECTOR SHALL GIVE  
14 NOTICE TO THE VENDOR IN WRITING OF THE EXECUTIVE DIRECTOR'S  
15 DECISION. AGGRIEVED VENDORS MAY PETITION THE EXECUTIVE DIRECTOR  
16 FOR A HEARING ON THE CLAIM IN THE MANNER PROVIDED IN SECTION  
17 39-21-104.

18 (4) THE EXECUTIVE DIRECTOR SHALL PROMULGATE RULES FOR THE  
19 IMPLEMENTATION OF THIS PART 1.

20 **39-37-107. Registration required.** (1) (a) IT IS UNLAWFUL FOR  
21 ANY PERSON TO ENGAGE IN THE BUSINESS OF AN AMMUNITION VENDOR, A  
22 FIREARMS DEALER, OR A FIREARMS MANUFACTURER IN THIS STATE  
23 WITHOUT FIRST HAVING REGISTERED AS A VENDOR WITH THE EXECUTIVE  
24 DIRECTOR. A REGISTRATION APPLICATION PROPERLY FILED ON A FORM  
25 PRESCRIBED BY THE EXECUTIVE DIRECTOR AND ACCEPTED BY THE  
26 EXECUTIVE DIRECTOR IS VALID UNTIL DECEMBER 31 OF THE NEXT  
27 ODD-NUMBERED YEAR FOLLOWING THE DATE OF REGISTRATION, UNLESS  
28 SOONER CANCELLED OR REVOKED. A PERSON REGISTERING PURSUANT TO  
29 THIS SUBSECTION (1) SHALL DISCLOSE THE NAME OF THE VENDOR AND THE  
30 VENDOR'S BUSINESS LOCATION, INCLUDING THE STREET NUMBER OF THE  
31 VENDOR'S BUSINESS LOCATION, AND ANY OTHER FACTS THE EXECUTIVE  
32 DIRECTOR MAY REQUIRE.

33 (b) IT IS THE DUTY OF EVERY VENDOR ON OR BEFORE JANUARY 1  
34 OF EACH EVEN-NUMBERED YEAR TO RENEW THE VENDOR'S REGISTRATION  
35 IF THE VENDOR REMAINS IN RETAIL BUSINESS OR LIABLE TO ACCOUNT FOR  
36 THE TAX LEVIED PURSUANT TO THIS ARTICLE 37.

37 (c) IF A VENDOR MAKES RETAIL SALES AT TWO OR MORE SEPARATE  
38 PLACES OF BUSINESS IN THIS STATE, A SEPARATE REGISTRATION FOR EACH  
39 PLACE OF BUSINESS IS REQUIRED.

40 (2) THE EXECUTIVE DIRECTOR, AFTER REASONABLE NOTICE AND  
41 A HEARING, MAY REVOKE THE REGISTRATION OF ANY PERSON FOUND BY  
42 THE EXECUTIVE DIRECTOR TO HAVE VIOLATED ANY PROVISION OF THIS  
43 ARTICLE 37. ANY FINDING AND ORDER OF THE EXECUTIVE DIRECTOR

1 REVOKING THE REGISTRATION OF ANY VENDOR IS SUBJECT TO REVIEW BY  
2 THE DISTRICT COURT OF THE DISTRICT WHERE THE BUSINESS OF THE  
3 VENDOR IS CONDUCTED, UPON APPLICATION OF THE VENDOR. THE  
4 PROCEDURE FOR REVIEW MUST BE, AS NEARLY AS POSSIBLE, THE SAME AS  
5 PROVIDED FOR THE REVIEW OF FINDINGS AS PROVIDED BY PROCEEDINGS IN  
6 THE NATURE OF CERTIORARI.

7 (3) (a) ANY VENDOR WHO MAKES RETAIL SALES SUBJECT TO THE  
8 EXCISE TAX WITHOUT REGISTERING COMMITS A PETTY OFFENSE AND SHALL  
9 BE PUNISHED ACCORDING TO SECTION 18-1.3-503.

10 (b) ANY VENDOR WHO MAKES RETAIL SALES SUBJECT TO THE  
11 EXCISE TAX WITHOUT REGISTERING MAY ALSO BE SUBJECT TO A CIVIL  
12 PENALTY OF FIFTY DOLLARS PER DAY UP TO A MAXIMUM PENALTY OF ONE  
13 THOUSAND DOLLARS. THE EXECUTIVE DIRECTOR SHALL ASSESS THE  
14 PENALTY IMPOSED BY THIS SUBSECTION (3)(b) IN THE SAME MANNER AS  
15 THE TAXES, PENALTIES, AND INTEREST IMPOSED BY THIS ARTICLE 37. THE  
16 EXECUTIVE DIRECTOR MAY WAIVE OR REDUCE THE PENALTY ASSESSED  
17 PURSUANT TO THIS SUBSECTION (3)(b) IF THE VENDOR'S FAILURE TO  
18 REGISTER IS DUE TO REASONABLE CAUSE AND NOT WILLFUL NEGLIGENCE OR  
19 INTENT TO DEFRAUD."

20 Renumber succeeding C.R.S. sections accordingly.

21 Page 10, line 27, strike "FIRE ARMS DEALER, FIREARMS MANUFACTURER,  
22 AND".

23 Page 11, line 1, strike "AMMUNITION".

24 Page 11, line 13, after "DUE." add "THE VENDOR SHALL FILE THE RETURN  
25 REQUIRED BY SUBSECTION (1) OF THIS SECTION ELECTRONICALLY AND  
26 REMIT THE AMOUNT OF TAX DUE BY ELECTRONIC FUNDS TRANSFER.

27 (3) THE EXECUTIVE DIRECTOR MAY EXTEND THE TIME FOR FILING  
28 A RETURN AND REMITTING THE TAX DUE FOR GOOD CAUSE SHOWN OR  
29 UNDER SUCH REASONABLE RULES AS THE EXECUTIVE DIRECTOR MAY  
30 PROMULGATE.

31 (4) (a) IF A PERSON NEGLECTS OR REFUSES TO FILE A TIMELY  
32 RETURN OR PAYMENT OF THE TAX, TO PAY OR CORRECTLY ACCOUNT FOR  
33 ANY TAX AS REQUIRED BY THIS ARTICLE 37, OR TO KEEP COMPLETE AND  
34 ACCURATE RECORDS, AS REQUIRED BY SECTION 39-37-109, THE  
35 EXECUTIVE DIRECTOR SHALL MAKE AN ESTIMATE, BASED UPON THE  
36 INFORMATION AVAILABLE, OF THE AMOUNT OF TAX DUE OR NOT  
37 ACCOUNTED FOR OR INCORRECTLY ACCOUNTED FOR ON A RETURN FOR THE  
38 PERIOD FOR WHICH THE VENDOR IS DELINQUENT. THE EXECUTIVE  
39 DIRECTOR SHALL ADD TO THE ESTIMATED AMOUNT OF TAX DUE OR NOT

1 ACCOUNTED FOR OR INCORRECTLY ACCOUNTED FOR INTEREST, IF  
2 APPLICABLE PURSUANT TO SECTION 39-21-110.5, AND A PENALTY EQUAL  
3 TO THE GREATER OF:

4 (I) FIFTEEN DOLLARS; OR

5 (II) TEN PERCENT OF SUCH UNPAID, UNACCOUNTED, OR  
6 INCORRECTLY ACCOUNTED FOR AMOUNT OF TAX, PLUS ONE-HALF PERCENT  
7 PER MONTH FROM THE DATE WHEN DUE, NOT TO EXCEED EIGHTEEN  
8 PERCENT IN THE AGGREGATE."

9 Page 13, strike lines 1 through 9 and substitute "ISSUE: "SHALL STATE  
10 TAXES BE INCREASED BY \$54,000,000 ANNUALLY TO FUND MENTAL  
11 HEALTH SERVICES, INCLUDING FOR AT-RISK YOUTH, SCHOOL SAFETY AND  
12 GUN VIOLENCE PREVENTION, AND SUPPORT SERVICES FOR VICTIMS OF  
13 DOMESTIC VIOLENCE AND OTHER VIOLENT CRIMES BY AUTHORIZING A TAX  
14 ON GUN DEALERS, GUN MANUFACTURERS, AND AMMUNITION VENDORS AT  
15 THE RATE OF 9% OF THE NET TAXABLE SALES FROM THE RETAIL SALE OF  
16 ANY FIREARM, FIREARM PRECURSOR PART, OR AMMUNITION, WITH THE  
17 STATE KEEPING AND SPENDING ALL OF THE NEW TAX REVENUE AS A  
18 VOTER-APPROVED REVENUE CHANGE?"".

19 Page 13, line 18, strike "39-37-109 (2)" and substitute "39-37-110 (2)".

20 Page 13, line 27, strike "39-37-109 (2)" and substitute "39-37-110 (2)".

21 Page 14, line 3, strike "FORTY-FIVE" and substitute "THIRTY-FIVE".

22 Page 14, line 19, strike "FIVE" and substitute "TEN".

23 Page 14, line 20, strike "VICTIMS AND".

24 Page 14, strike lines 21 and 22 and substitute "SCHOOL SECURITY  
25 DISBURSEMENT PROGRAM CASH FUND CREATED IN SECTION 24-33.5-1811  
26 (1);".

27 Page 14, line 24, strike "FIVE" and substitute "TEN".

28 Page 14, line 25, strike "COLORADO CRIME".

29 Page 14, strike lines 26 and 27.

30 Page 15, strike lines 1 through 17 and substitute "BEHAVIORAL AND  
31 MENTAL HEALTH CASH FUND CREATED IN SECTION 24-75-230 (2)(a); AND  
32 (IV) AFTER THE REQUIREMENT IN SUBSECTION (2)(a)(III) OF THIS".

- 1 Page 15, line 24, strike "39-37-109 (2)" and substitute "39-37-110 (2)".
- 2 Page 15, strike line 27.
- 3 Page 16, strike lines 1 through 9.
- 4 Renumber succeeding sections accordingly.
- 5 Page 16, line 18, strike "(2)(a)(I), (2)(a)(III), AND (2)(a)(VI)" and  
6 substitute "(2)(a)(I) AND (2)(a)(IV)".
- 7 Page 16, line 24, strike "(2)(a)(VI)" and substitute "(2)(a)(IV)".
- 8 Page 16, strike lines 26 and 27.
- 9 Page 17, strike line 1.
- 10 Reletter succeeding paragraph accordingly.
- 11 Page 17, lines 18 and 19, strike "39-37-301 (2)(a)(I), (2)(a)(III), AND  
12 (2)(a)(VI)" and substitute "39-37-301 (2)(a)(I) and (2)(a)(IV)".
- 13 Page 17, strike lines 21 through 27.
- 14 Page 18, strike lines 1 through 21 and substitute:
- 15 **"SECTION 3.** In Colorado Revised Statutes, **amend**  
16 24-33.5-1811 as follows:
- 17 **24-33.5-1811. School security disbursement program cash**  
18 **fund - repeal.** (1) The school security disbursement program cash fund,  
19 referred to in this section as the "fund" is created in the state treasury. The  
20 fund consists of money TRANSFERRED TO THE FUND PURSUANT TO  
21 SECTION 39-37-301 (2)(a)(II) AND ANY OTHER MONEY that the general  
22 assembly may appropriate or transfer to the fund. The state treasurer shall  
23 credit all interest and income derived from the deposit and investment of  
24 money in the fund to the fund. Subject to annual appropriation by the  
25 general assembly, the department may expend money from the fund to  
26 implement the school security disbursement program created in section  
27 24-33.5-1810. The department may expend up to three percent of the  
28 amount appropriated to the fund in each fiscal year for the administrative  
29 expenses incurred in implementing the school security disbursement  
30 program.
- 31 (2) This section is repealed, effective July 1, 2024. ~~The state~~  
32 ~~treasurer shall transfer all unexpended and unencumbered money in the~~



1 ~~fund on June 30, 2024, to the general fund~~ JULY 1, 2032.

2 **SECTION 4.** In Colorado Revised Statutes, 24-75-230, **amend**  
3 (2)(a), (3), and (5); and **add** (3.5) as follows:

4 **24-75-230. Behavioral and mental health cash fund - creation**  
5 **- allowable uses - task force - definitions - repeal.**

6 (2) (a) The behavioral and mental health cash fund is created in  
7 the state treasury. The fund consists of money credited to the fund in  
8 accordance with subsection (2)(b) of this section, MONEY TRANSFERRED  
9 TO THE FUND PURSUANT TO SECTION 39-37-301 (2)(a)(III), and any other  
10 money that the general assembly may appropriate or transfer to the fund.  
11 ~~To respond to the public health emergency with respect to COVID-19 or~~  
12 ~~its negative economic impacts or for the provision of government~~  
13 ~~services,~~ The general assembly may appropriate money from the fund to  
14 a department for behavioral health care.

15 (3) (a) A department may expend money appropriated from the  
16 fund THAT WAS CREDITED TO THE FUND IN ACCORDANCE WITH  
17 SUBSECTION (2)(b) OF THIS SECTION for purposes permitted under the  
18 "American Rescue Plan Act of 2021" Pub.L. 117-2, as the act may be  
19 subsequently amended, and shall not use the money for any purpose  
20 prohibited by the act. A department or any person who receives SUCH  
21 money from the fund shall comply with any requirements set forth in  
22 section 24-75-226.

23 (b) THE LIMITATIONS AND REQUIREMENTS SET FORTH IN  
24 SUBSECTION (3)(a) OF THIS SECTION DO NOT APPLY TO MONEY  
25 TRANSFERRED TO THE FUND PURSUANT TO SECTION 39-37-301 (2)(a)(III).

26 (3.5) THE MONEY TRANSFERRED TO THE FUND PURSUANT TO  
27 SECTION 39-37-301 (2)(a)(III) MUST BE USED BY THE BEHAVIORAL HEALTH  
28 ADMINISTRATION, ESTABLISHED PURSUANT TO SECTION 27-50-102, FOR  
29 THE PURPOSE OF CONTINUING AND EXPANDING ACCESS TO BEHAVIORAL  
30 HEALTH CRISIS RESPONSE SYSTEM SERVICES FOR CHILDREN AND YOUTH IN  
31 ACCORDANCE WITH ARTICLE 60 OF TITLE 27.

32 (5) This section is repealed, effective ~~July 1, 2027~~ JULY 1, 2032.

33 **SECTION 5.** In Colorado Revised Statutes, 27-60-103, **add** (1.7)  
34 as follows:

35 **27-60-103. Behavioral health crisis response system - services**  
36 **- request for proposals - criteria - reporting - rules - definitions -**  
37 **repeal.**

38 (1.7) BEGINNING JANUARY 1, 2025, THE BHA SHALL USE THE  
39 MONEY TRANSFERRED TO THE BEHAVIORAL AND MENTAL HEALTH CASH  
40 FUND PURSUANT TO SECTIONS 24-75-230(2)(a) AND 39-37-301 (2)(a)(III),  
41 TO CONTINUE AND EXPAND ACCESS TO BEHAVIORAL HEALTH CRISIS  
42 RESPONSE SYSTEM SERVICES FOR CHILDREN AND YOUTH IN ACCORDANCE  
43 WITH THIS ARTICLE 60."

1 Page 18, after line 21 insert:

2 "SECTION 6. In Colorado Revised Statutes, 39-21-102, **amend**  
3 (1) as follows:

4 **39-21-102. Scope.** (1) Unless otherwise indicated, the provisions  
5 of this article 21 apply to the taxes or fees imposed by ~~articles 22 to 35~~  
6 ~~ARTICLES 22 TO 37~~ of this title 39 and article 60 of title 34, section 21 of  
7 article X of the state constitution, article 3 of title 42, part 5 of article 3  
8 of title 44, articles 11 and 20 of title 30, article 4 of title 43, article 2 of  
9 title 40, and part 2 of article 20 of title 8.

10 **SECTION 7.** In Colorado Revised Statutes, 39-21-103, **amend**  
11 (1) as follows:

12 **39-21-103. Hearings.** (1) As soon as practicable after any tax  
13 return or the return showing the value of oil and gas is filed, ~~pursuant to~~  
14 ~~articles 22 to 29 of this title, article 60 of title 34, or article 3 of title 42,~~  
15 ~~C.R.S.~~, the executive director shall examine it and shall determine the  
16 correct amount of tax. If the tax found due is greater than the amount  
17 theretofore assessed or paid, a notice of deficiency shall be mailed to the  
18 taxpayer by first-class mail as set forth in section 39-21-105.5.

19 **SECTION 8.** In Colorado Revised Statutes, 39-21-106, **amend**  
20 (1) as follows:

21 **39-21-106. Compromise.** (1) The executive director or ~~his or her~~  
22 ~~THE EXECUTIVE DIRECTOR'S~~ delegate may compromise any civil or  
23 criminal case arising under any tax or ~~the charge on oil and gas~~  
24 ~~production imposed by articles 22 to 29 of this title, article 60 of title 34,~~  
25 ~~or article 3 of title 42, C.R.S.~~, ADMINISTERED PURSUANT TO THIS ARTICLE  
26 21 prior to reference to the department of law for prosecution or defense;  
27 and the attorney general or ~~his or her~~ ~~THE ATTORNEY GENERAL'S~~ delegate  
28 shall, upon the written direction of the executive director, compromise  
29 any such case after reference to the department of law for prosecution or  
30 defense.

31 **SECTION 9.** In Colorado Revised Statutes, 39-21-107, **amend**  
32 (1)as follows:

33 **39-21-107. Limitations.** (1) Except as provided in this section,  
34 in section 29-2-106.1 (5)(b), and unless such time is extended by waiver,  
35 the amount of any tax or of any charge on oil and gas production ~~imposed~~  
36 ~~pursuant to articles 24 to 29 of this title 39 or article 3 of title 42,~~ and the  
37 penalty and interest applicable thereto, shall be assessed within three  
38 years after the return was filed, whether or not such return was filed on  
39 or after the date prescribed, and no assessment shall be made or credit  
40 taken and no notice of lien shall be filed, nor distraint warrant issued, nor  
41 suit for collection instituted, nor any other action to collect the same  
42 commenced after the expiration of such period; except that a written

1 proposed adjustment of the tax liability by the department issued prior to  
2 the expiration of such period shall extend the limitation of this subsection  
3 (1) for one year after a final determination or assessment is made. No lien  
4 shall continue after the three-year period provided for in this subsection  
5 (1), except for taxes assessed before the expiration of such period, notice  
6 of lien with respect to which has been filed prior to the expiration of such  
7 period, and except for taxes on which written notice of any proposed  
8 adjustment of the tax liability has been sent to the taxpayer during such  
9 three-year period, in which case the lien shall continue for one year only  
10 after the expiration of such period or after the issuance of a final  
11 determination or assessment based on the proposed adjustment issued  
12 prior to the expiration of the three-year period. This subsection (1) ~~shall~~  
13 DOES not apply to income tax or to any tax imposed under article 23.5 of  
14 this title 39.

15 **SECTION 10.** In Colorado Revised Statutes, 39-21-108, **amend**  
16 (3)(a)(I)(A) introductory portion as follows:

17 **39-21-108. Refunds.** (3) (a) (I) (A) Whenever it is established  
18 that any taxpayer has, for any period open under the statutes, overpaid a  
19 tax ~~covered by articles 22 and 26 to 29 of this title 39, article 60 of title~~  
20 ~~34, and article 3 of title 42~~ ADMINISTERED PURSUANT TO THIS ARTICLE 21  
21 and that: There is an unpaid balance of tax and interest accrued, according  
22 to the records of the executive director, owing by such taxpayer for any  
23 other period; there is an amount required to be repaid to the  
24 unemployment compensation fund pursuant to section 8-81-101 (4), the  
25 amount of which has been determined to be owing as a result of a final  
26 agency determination or judicial decision or that has been reduced to  
27 judgment by the division of unemployment insurance in the department  
28 of labor and employment; there is any unpaid child support debt as set  
29 forth in section 14-14-104, or child support arrearages that are the subject  
30 of enforcement services provided pursuant to section 26-13-106, as  
31 certified by the department of human services; there are any unpaid  
32 obligations owing to the state as set forth in section 26-2-133, for  
33 overpayment of public assistance or medical assistance benefits, the  
34 amount of which has been determined to be owing as a result of final  
35 agency determination or judicial decision or that has been reduced to  
36 judgment, as certified by the department of human services; there are any  
37 unpaid obligations owing to the state as set forth in section 26.5-4-119,  
38 for overpayment of child care assistance, the amount of which has been  
39 determined to be owing as a result of final agency determination or  
40 judicial decision or that has been reduced to judgment as certified by the  
41 department of early childhood; there is any unpaid loan or other  
42 obligation due to a state-supported institution of higher education as set  
43 forth in section 23-5-115, the amount of which has been determined to be

1 owing as a result of a final agency determination or judicial decision or  
2 that has been reduced to judgment, as certified by the appropriate  
3 institution; there is any unpaid loan due to the student loan division of the  
4 department of higher education as set forth in section 23-3.1-104 (1)(p),  
5 the amount of which has been determined to be owing as a result of a  
6 final agency determination or judicial decision or that has been reduced  
7 to judgment, as certified by the division; there is any unpaid loan due to  
8 the collegeinvest division of the department of higher education as set  
9 forth in section 23-3.1-206, the amount of which has been determined to  
10 be owing as a result of a final agency determination or judicial decision  
11 or that has been reduced to judgment; there is any outstanding judicial  
12 fine, fee, cost, or surcharge as set forth in section 16-11-101.8, or judicial  
13 restitution as set forth in section 16-18.5-106.8, the amount of which has  
14 been determined to be owing as a result of a final judicial department  
15 determination or certified by the judicial department as a judgment owed  
16 the state or a victim; there is any unpaid debt owing to the state or any  
17 agency thereof by such taxpayer, and that is found to be owing as a result  
18 of a final agency determination or the amount of which has been reduced  
19 to judgment and as certified by the state agency; or the taxpayer is a  
20 qualified individual identified pursuant to section 39-22-120 (10) or  
21 39-22-2003 (9), so much of the overpayment of tax plus interest  
22 allowable thereon as does not exceed the amount of such unpaid balance  
23 or unpaid debt must be credited first to the unpaid balance of tax and  
24 interest accrued and then to the unpaid debt, and any excess of the  
25 overpayment must be refunded. If the taxpayer elects to designate his or  
26 her refund as a credit against a subsequent year's tax liability, the amount  
27 allowed to be so credited must be reduced first by the unpaid balance of  
28 tax and interest accrued and then by the unpaid debt. If the taxpayer filed  
29 a joint return, the executive director shall notify the other taxpayer named  
30 on the joint return that the portion of the overpayment that is generated by  
31 the other taxpayer's income will be refunded upon receipt of a request  
32 detailing said amount.

33 **SECTION 11.** In Colorado Revised Statutes, 39-21-109, **amend**  
34 (1) as follows:

35 **39-21-109. Interest on underpayment, nonpayment, or**  
36 **extensions of time for payment of tax.** (1) If any amount of tax or any  
37 charge on oil and gas production imposed pursuant to articles 22 to 29 of  
38 this title, article 60 of title 34, or article 3 of title 42, C.R.S.,  
39 ADMINISTERED PURSUANT TO THIS ARTICLE 21 is not paid on or before the  
40 last date prescribed for payment, interest on such amount at the rate  
41 imposed under section 39-21-110.5, except as provided in subsection  
42 (1.5) of this section, shall be paid for the period from such last date to the  
43 date paid. The last date prescribed for payment shall be determined

1 without regard to any extension of time for payment and shall be  
2 determined without regard to any notice and demand for payment issued,  
3 by reason of jeopardy, prior to the last date otherwise prescribed for such  
4 payment. In the case of a tax in which the last date for payment is not  
5 otherwise prescribed, the last date for payment shall be deemed to be the  
6 date the liability for the tax arises, and in no event shall it be later than the  
7 date notice and demand for the tax is made by the executive director of  
8 the department of revenue or ~~his~~ THE EXECUTIVE DIRECTOR'S delegate.

9       **SECTION 12.** In Colorado Revised Statutes, 39-21-110, **amend**  
10 (1) introductory portion, (2), and (3) as follows:

11       **39-21-110. Interest on overpayments - repeal.** (1) Interest shall  
12 be allowed and paid upon any overpayment in respect to any tax or ~~any~~  
13 ~~charge on oil and gas production imposed pursuant to articles 22 to 29 of~~  
14 ~~this title 39, article 60 of title 34, or article 3 of title 42~~ ADMINISTERED  
15 PURSUANT TO THIS ARTICLE 21 at the rate imposed under section  
16 39-21-110.5. Such interest shall be allowed and paid as follows:

17       (2) Any portion of any tax or ~~of a charge on oil and gas production~~  
18 ~~imposed pursuant to articles 22 to 29 of this title, article 60 of title 34, or~~  
19 ~~article 3 of title 42, C.R.S.,~~ ADMINISTERED PURSUANT TO THIS ARTICLE 21  
20 or any interest, assessable penalty, additional amount, or addition to a tax  
21 or charge which has been erroneously refunded shall bear interest at the  
22 rate imposed under section 39-21-110.5 from the date of the payment of  
23 the refund.

24       (3) If any overpayment of any tax or ~~of a charge on oil and gas~~  
25 ~~production imposed pursuant to articles 22 to 29 of this title, article 60 of~~  
26 ~~title 34, or article 3 of title 42, C.R.S.,~~ ADMINISTERED PURSUANT TO THIS  
27 ARTICLE 21 is refunded within ninety days after the last date prescribed  
28 for filing the return of such tax or charge, determined without regard to  
29 any extension of time for filing the return, no interest shall be allowed  
30 under subsection (1) of this section on such overpayment.

31       **SECTION 13.** In Colorado Revised Statutes, 39-21-110.5,  
32 **amend** (1) as follows:

33       **39-21-110.5. Rate of interest to be fixed.** (1) When interest is  
34 required or permitted to be charged ~~under any provision of articles 20 to~~  
35 ~~29 of this title in connection with interest~~ PURSUANT TO THIS SECTION on  
36 ANY underpayment, nonpayment, extension of time for payment, or  
37 overpayment, or when interest is required to be paid pursuant to section  
38 8-20.5-104, ~~C.R.S.,~~ in connection with an application for reimbursement  
39 from the petroleum storage tank fund, such interest shall be computed at  
40 the annual rate which has been established pursuant to this section.

41       **SECTION 14.** In Colorado Revised Statutes, 39-21-112, **amend**  
42 (1) as follows:

43       **39-21-112. Duties and powers of executive director.** (1) It is

1 the duty of the executive director to administer the provisions of this  
2 article 21, and the executive director has the power to adopt, amend, or  
3 rescind such rules not inconsistent with the provisions of this article 21,  
4 ~~articles 22 to 29 of this title 39, and article 3 of title 42~~ THE STATUTORY  
5 PROVISIONS LISTED IN SECTION 39-21-102, and, subject to other provisions  
6 of law relating to the promulgation of rules, to appoint, pursuant to  
7 section 13 of article XII of the state constitution, such persons, to make  
8 such expenditures, to require such reports, to make such investigations,  
9 and to take such other action as the executive director deems necessary  
10 or suitable to that end. The executive director shall determine the  
11 organization and methods of procedure in accordance with the provisions  
12 of this article 21. For the purpose of ascertaining the correctness of any  
13 return or for the purpose of making an estimate of the tax due from any  
14 taxpayer, the executive director has the power to examine or cause to be  
15 examined by any employee, agent, or representative designated by the  
16 executive director for that purpose any books, papers, records, or  
17 memoranda bearing upon the matters required to be included in the  
18 return. In the exercise of rule-making authority as to article 29 of this title  
19 39, as granted by the general assembly pursuant to this subsection (1), the  
20 executive director may not readopt any rule, or portion thereof,  
21 disapproved on or after July 1, 1982, by the general assembly pursuant to  
22 section 24-4-103 (8)(d) without the approval of the general assembly.

23 **SECTION 15.** In Colorado Revised Statutes, 39-21-113, **amend**  
24 (1)(a) as follows:

25 **39-21-113. Reports and returns - rule - repeal.** (1) (a) It is the  
26 duty of every person, firm, or corporation liable to the state of Colorado  
27 for any tax or ~~any charge on oil and gas production imposed pursuant to~~  
28 ~~articles 23.5 to 29 of this title or article 3 of title 42, C.R.S.,~~  
29 ADMINISTERED PURSUANT TO THIS ARTICLE 21 to keep and preserve for a  
30 period of three years such books, accounts, and records as may be  
31 necessary to determine the amount of liability.

32 **SECTION 16.** In Colorado Revised Statutes, 39-21-119.5,  
33 **amend** (1), (4)(k), and (4)(l); and **add** (4)(m) as follows:

34 **39-21-119.5. Mandatory electronic filing of returns -**  
35 **mandatory electronic payment - penalty - waiver - definitions.**  
36 (1) For purposes of this section, "return" means any report, claim, tax  
37 return statement, or other document required or authorized under articles  
38 11 and 25 of title 29, article 11 of title 30, articles 22, 26, 27, 28, 28.5,  
39 28.6, 28.8, ~~and~~ 29, AND 37 of this title 39, article 2 of title 40, article 3 of  
40 title 42, article 4 of title 43, and title 44, and any form, statement report,  
41 or other document prescribed by the executive director for reporting a tax  
42 liability, a fee liability, or other information required to be returned to the  
43 executive director, including the reporting of changes or amendments

- 1 thereto, and any schedule certification, worksheet, or other document  
2 required to accompany the return.
- 3 (4) Except as provided in subsection (6) of this section, on and  
4 after August 2, 2019, electronic filing of returns and the payment of any  
5 tax or fee by electronic funds transfer is required for the following:
- 6 (k) Any clean fleet per ride fee and air pollution mitigation per  
7 ride fee return required to be filed and payment required pursuant to  
8 section 40-10.1-607.5; ~~and~~
- 9 (l) Any quarterly report for the advance payment of an income tax  
10 credit required to be filed pursuant to section 39-22-629 (2)(b); AND
- 11 (m) ANY FIREARMS AND AMMUNITION EXCISE TAX RETURN  
12 REQUIRED TO BE FILED AND ANY PAYMENT OF TAX REQUIRED TO BE  
13 REMITTED PURSUANT TO ARTICLE 37 OF THIS TITLE 39."
- 14 Renumber succeeding sections accordingly.
- 15 Strike "DEPARTMENT" and substitute "EXECUTIVE DIRECTOR" on: **Page 9**,  
16 line 14; **Page 10**, lines 3, 22, 23, and 24; **Page 11**, lines 1, 3, 8, and 11.
- 17 Strike "GROSS" and substitute "NET" on: **Page 4**, line 22 and **Page 11**, line  
18 3.
- 19 Strike "FIREARMS DEALER, FIREARMS MANUFACTURER, AND AMMUNITION"  
20 on: **Page 10**, line 14; **Page 11**, lines 9 and 10.
- 21 Strike "FIREARMS DEALER, FIREARMS MANUFACTURER, OR AMMUNITION"  
22 on: **Page 10**, lines 19 and 20; **Page 11**, lines 5 and 6; **Page 12**, lines 2 and  
23 6.
- 24 Page 1, line 105, strike "GROSS" and substitute "NET".
- 25 Page 1, strike line 106 and substitute "SALES OF GUN DEALERS, GUN  
26 MANUFACTURERS, AND".
- 27 Page 1, strike lines 110 through 112 and substitute "MENTAL HEALTH  
28 SERVICES, INCLUDING FOR AT-RISK YOUTH, SCHOOL SAFETY AND GUN  
29 VIOLENCE PREVENTION, AND SUPPORT SERVICES FOR VICTIMS OF  
30 DOMESTIC VIOLENCE AND OTHER VIOLENT CRIMES."

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