

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

REVISED

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

LLS NO. 19-0780.01 Jery Payne x2157

HOUSE BILL 19-1138

HOUSE SPONSORSHIP

Williams D. and Melton, Humphrey, Baisley, Bockenfeld, Carver, Exum, Herod, Hooton, Lewis, Neville, Ransom, Saine, Singer, Snyder, Soper, Titone, Van Winkle, Will

SENATE SPONSORSHIP

Williams A. and Priola,

House Committees

Transportation & Local Government
Finance
Appropriations

Senate Committees

Finance
Appropriations

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, AND, IN**
104 **CONNECTION THEREWITH, MAKING AN 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>.)

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

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.

SENATE
Amended 2nd Reading
April 23, 2019

HOUSE
3rd Reading Unamended
March 19, 2019

HOUSE
Amended 2nd Reading
March 18, 2019

most registration fees.

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, SURCHARGES, AND
9 REGISTRATION FEES paid on any item of Class A, Class B, Class C, Class
10 D, or Class F personal property if the owner disposes of the vehicle
11 during the registration period or if the owner converts the vehicle from
12 any class of personal property to Class F property. The credit may apply
13 to payments of taxes, SURCHARGES, AND REGISTRATION FEES on a
14 subsequent application by the owner for registration of an item of Class
15 A, Class B, Class C, Class D, or Class F personal property made during
16 the registration period, or THE CREDIT may be assigned by the owner to
17 the transferee of the property for which taxes, SURCHARGES, OR
18 REGISTRATION FEES were paid; except that, when the transferee is a dealer
19 in new or used vehicles, the transferee shall account to the owner for any
20 assignment of the credit.

21 (II) The credit ~~shall be~~ AUTHORIZED BY THIS SUBSECTION (25)(a)
22 IS prorated based on the number of months remaining in the registration
23 period after the ~~transfer, and~~ CONVERSION TO CLASS F PERSONAL
24 PROPERTY, OR disposal of the vehicle. The PRORATION calculation for the
25 credit ~~shall be determined by using the period beginning~~ BEGINS with the

1 first day of the month following the date of AFTER THE transfer, through
2 CONVERSION TO CLASS F PERSONAL PROPERTY, OR DISPOSAL AND ENDS
3 the last day of the month for the period for which the vehicle was
4 registered.

5 (III) ~~Specific ownership tax~~ THE credit will be IS allowed only if
6 the total ownership tax, SURCHARGE, AND REGISTRATION FEE credit due
7 exceeds ten dollars.

8 (b) THE CREDIT AUTHORIZED IN SUBSECTION (25)(a) OF THIS
9 SECTION DOES NOT APPLY TO FEES IMPOSED IN SECTIONS 42-3-301,
10 42-3-304 (5), (6), (7), (19), AND (22), 42-3-312, AND 42-3-313.

11 **SECTION 2.** In Colorado Revised Statutes, 42-3-115, **repeal (1)**
12 as follows:

13 **42-3-115. Registration upon transfer. (1)** ~~Whenever the owner
14 of a motor vehicle registered under this article transfers or assigns the
15 owner's title or interest, the registration of such vehicle shall expire, and
16 such owner shall remove the number plates. The owner, upon applying
17 for registration in such owner's name during the same registration period
18 of another motor vehicle, may receive credit upon the fees due for such
19 new registration for such portion of the fees paid for the cancelled
20 registration as the department may determine to be proper and
21 proportionate to the unexpired part of the original term of registration. A
22 transfer fee of one dollar shall be paid in all cases.~~

23 **SECTION 3. Appropriation.** For the 2019-20 state fiscal year,
24 \$7,200 is appropriated to the department of revenue for use by the
25 division of motor vehicles. This appropriation is from the Colorado
26 DRIVES vehicle services account in the highway users tax fund created
27 in section 42-1-211 (2)(b)(I), C.R.S. To implement this act, the division

1 may use this appropriation for DRIVES maintenance and support.

2 **SECTION 4. Act subject to petition - effective date -**

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

11 (2) This act applies to taxes, surcharges, or fees due on or after the
12 applicable effective date of this act.