

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

REREVISED

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

LLS NO. 19-1086.01 Pierce Lively x2059

HOUSE BILL 19-1323

HOUSE SPONSORSHIP

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House Committees

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Appropriations

Senate Committees

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A BILL FOR AN ACT

101 **CONCERNING AN EXEMPTION FROM STATE SALES TAX FOR**
102 **OCCASIONAL SALES BY CHARITABLE ORGANIZATIONS.**

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>.)

Under current law, up to \$25,000 of the funds raised by a charitable organization through occasional sales are exempt from state sales tax. The bill increases that amount to \$45,000. The bill also removes the requirement that occasional sales by charitable organizations take place for no more than 12 days, whether consecutive or not, during any calendar year.

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
3rd Reading Unamended
May 3, 2019

SENATE
2nd Reading Unamended
May 2, 2019

HOUSE
3rd Reading Unamended
April 29, 2019

HOUSE
Amended 2nd Reading
April 27, 2019

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-26-718, **amend**
3 (1)(b) as follows:

4 **39-26-718. Charitable organizations - association or**
5 **organization of parents and teachers of public school students.**

6 (1) The following shall be exempt from taxation under the provisions of
7 part 1 of this article 26:

8 (b) (I) ~~Effective July 1, 1995,~~ All occasional sales by a charitable
9 organization OF TANGIBLE PERSONAL PROPERTY, COMMODITIES, OR
10 SERVICES OTHERWISE SUBJECT TO TAX UNDER THIS ARTICLE 26 IF:

11 ~~(H) For purposes of this paragraph (b), "occasional sales" means~~
12 ~~retail sales of tangible personal property, including concessions, for~~
13 ~~fund-raising purposes if:~~

14 (A) ~~The sale of tangible personal property or concessions by the~~
15 ~~charitable organization takes place no more than twelve days, whether~~
16 ~~consecutive or not, during any one~~ NET PROCEEDS FROM SALES BY THE
17 CHARITABLE ORGANIZATIONS OF TANGIBLE PERSONAL PROPERTY,
18 COMMODITIES, OR SERVICES OTHERWISE SUBJECT TO TAX UNDER THIS
19 ARTICLE 26 DO NOT EXCEED FORTY-FIVE THOUSAND DOLLARS DURING THE
20 PRECEDING calendar year; AND

21 (B) The funds raised by the charitable organization through these
22 sales are retained by the organization to be used in the course of the
23 organization's charitable service. ~~and~~

24 ~~(C) The funds raised by the charitable organization through these~~
25 ~~sales do not exceed twenty-five thousand dollars during any one calendar~~
26 ~~year.~~

1 (II) THE EXEMPTION IN THIS SUBSECTION (1)(b) SHALL NOT APPLY
2 TO SALES MADE BY A CHARITABLE ORGANIZATION ON AND AFTER THE
3 DATE THAT THE NET PROCEEDS FROM SALES BY THE CHARITABLE
4 ORGANIZATION OF TANGIBLE PERSONAL PROPERTY, COMMODITIES, OR
5 SERVICES OTHERWISE SUBJECT TO TAX UNDER THIS ARTICLE 26 EXCEEDS
6 FORTY-FIVE THOUSAND DOLLARS DURING THE CURRENT CALENDAR YEAR.

7 **SECTION 2. Act subject to petition - effective date -**
8 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
9 the expiration of the ninety-day period after final adjournment of the
10 general assembly (August 2, 2019, if adjournment sine die is on May 3,
11 2019); except that, if a referendum petition is filed pursuant to section 1
12 (3) of article V of the state constitution against this act or an item, section,
13 or part of this act within the ninety-day period after final adjournment of
14 the general assembly, then the act, item, section, or part will not take
15 effect unless approved by the people at the general election to be held in
16 November 2020 and, in such case, will take effect on the date of the
17 official declaration of the vote thereon by the governor.

18 (2) This act applies to sales that occur on or after January 1, 2020.