

HOUSE COMMITTEE OF REFERENCE REPORT

Chair of Committee

Date

March 26, 2019

Committee on Business Affairs & Labor.

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

HB19-1240 be amended as follows, and as so amended, be referred to the Committee on Finance with favorable recommendation:

- 1 Amend printed bill, page 4, line 16, strike "FOR" and substitute
- 2 "BEGINNING OCTOBER 1, 2019, FOR".

- 3 Page 4, strike lines 18 and 19.

- 4 Renumber succeeding sub-subparagraphs accordingly.

- 5 Page 4, after line 24 insert:
 - 6 "(III) THIS SUBSECTION (3)(c) DOES NOT APPLY TO ANY PERSON
 - 7 WHO IS DOING BUSINESS IN THIS STATE UNDER SUBSECTION (3)(a) OF THIS
 - 8 SECTION BUT OTHERWISE APPLIES TO ANY OTHER PERSON."

- 9 Page 9, line 1, strike "FORUM" and substitute "FORUM, INCLUDING, BUT
- 10 NOT LIMITED TO, A STORE, A BOOTH, AN INTERNET WEBSITE, A CATALOG,
- 11 OR A DEDICATED SALES SOFTWARE APPLICATION,".

- 12 Page 9, strike lines 3 through 27.

- 13 Page 10, strike lines 1 through 14 and substitute:
 - 14 "(5.9) (a) "MARKETPLACE FACILITATOR" MEANS A PERSON WHO:
 - 15 (I) CONTRACTS WITH A MARKETPLACE SELLER TO FACILITATE FOR
 - 16 CONSIDERATION, REGARDLESS OF WHETHER THE CONSIDERATION IS
 - 17 DEDUCTED AS FEES FROM THE TRANSACTION, THE SALE OF THE

1 MARKETPLACE SELLER'S TANGIBLE PERSONAL PROPERTY, COMMODITIES,
2 OR SERVICES THROUGH A MARKETPLACE;

3 (II) ENGAGES DIRECTLY OR INDIRECTLY, THROUGH ONE OR MORE
4 AFFILIATED PERSONS, IN TRANSMITTING OR OTHERWISE COMMUNICATING
5 THE OFFER AND ACCEPTANCE BETWEEN THE PURCHASER AND
6 MARKETPLACE SELLER; AND

7 (III) EITHER DIRECTLY OR INDIRECTLY, THROUGH AGREEMENTS OR
8 ARRANGEMENTS WITH THIRD PARTIES, COLLECTS THE PAYMENT FROM THE
9 PURCHASER AND TRANSMITS THE PAYMENT TO THE MARKETPLACE SELLER.

10 (b) A "MARKETPLACE FACILITATOR" DOES NOT INCLUDE A PERSON
11 THAT EXCLUSIVELY PROVIDES INTERNET ADVERTISING SERVICES OR LISTS
12 PRODUCTS FOR SALE, AND THAT DOES NOT OTHERWISE MEET THE
13 DEFINITION SET FORTH IN SUBSECTION (5.9)(a) OF THIS SECTION."

14 Page 11, line 17, strike "resale, AND" and substitute "resale. THE TERM".

15 Page 11, line 19, strike "SELLER." and substitute "SELLER DOING BUSINESS
16 IN THIS STATE."

17 Page 17, lines 3 and 4, strike "BUSINESS' LOCATION" and substitute
18 "BUSINESS LOCATION OF THE RETAILER".

19 Page 17, after line 16 insert:

20 "(II) SALES OF TANGIBLE PERSONAL PROPERTY, COMMODITIES, OR
21 SERVICES THAT ARE SOURCED TO THE BUSINESS LOCATION OF THE
22 RETAILER UNDER THIS SUBSECTION (3)(c) AND THAT WOULD OTHERWISE
23 BE SOURCED TO AN OUT-OF-STATE LOCATION UNDER SUBSECTION (3)(a)
24 OF THIS SECTION ARE EXEMPT FROM TAXATION UNDER THE PROVISIONS OF
25 THIS PART 1."

26 Renumber succeeding subparagraph accordingly.

27 Page 24, after line 11 insert:

28 "(II) SALES OF TANGIBLE PERSONAL PROPERTY, COMMODITIES, OR
29 SERVICES THAT ARE SOURCED TO THE BUSINESS LOCATION OF THE
30 RETAILER UNDER THIS SUBSECTION (2)(b) AND THAT WOULD OTHERWISE
31 BE SOURCED TO AN OUT-OF-STATE LOCATION UNDER SUBSECTION (2)(a)
32 OF THIS SECTION ARE EXEMPT FROM TAXATION UNDER THE PROVISIONS OF
33 THIS PART 2."

1 Renumber succeeding subparagraph accordingly.

2 Page 29, line 4, strike "2019." and substitute "2019; except that section
3 39-26-102 (5.9), (6), (6.1), (6.2), (6.3) and (8), Colorado Revised Statutes,
4 as enacted in section 1 of this act, and section 4 of this act take effect
5 October 1, 2019.".

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