

Second Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 18-0942.01 Ed DeCecco x4216

HOUSE BILL 18-1315

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HOUSE SPONSORSHIP

McLachlan and Becker J.,

SENATE SPONSORSHIP

Kefalas and Lundberg,

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House Committees  
Finance

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING THE EXPANSION OF THE SALES AND USE TAX EXEMPTION  
102 FOR MANUFACTURED HOMES CONSTRUCTED IN COMPLIANCE  
103 WITH A FEDERAL SAFETY ACT.

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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, 48% of the purchase price of a manufactured home constructed in compliance with the federal "National Manufactured Housing Construction and Safety Standards Act of 1974" (federal act) is exempt from state sales and use tax. The subsequent sale of the manufactured home is entirely exempt from state sales and use tax. These

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.

existing exemptions apply to any local government that imposes a sales and use tax based on the state tax.

The bill entirely exempts manufactured homes constructed in compliance with the federal act from the state sales and use tax. The exemption automatically applies to a special district or other limited purpose authority that has the same tax base as the state, but does not apply to a statutory municipality or county unless it creates a local exemption based on the state exemption.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-26-721, **add** (3)  
3 as follows:

4 **39-26-721. Manufactured homes.** (3) BEGINNING JANUARY 1,  
5 2019, THE SALE, STORAGE, USAGE, OR CONSUMPTION OF A  
6 MANUFACTURED HOME, AS DEFINED IN SECTION 39-1-102(7.8), IS EXEMPT  
7 FROM TAXATION UNDER PARTS 1 AND 2 OF THIS ARTICLE 26.

8 **SECTION 2.** In Colorado Revised Statutes, 29-2-105, **amend** (1)  
9 introductory portion and (1)(d)(I) introductory portion; and **add**  
10 (1)(d)(I)(P) as follows:

11 **29-2-105. Contents of sales tax ordinances and proposals -**  
12 **repeal.** (1) The sales tax ordinance or proposal of any incorporated town,  
13 city, or county adopted pursuant to this ~~article~~ ARTICLE 2 shall be imposed  
14 on the sale of tangible personal property at retail or the furnishing of  
15 services, as provided in subsection (1)(d) of this section. Any countywide  
16 or incorporated town or city sales tax ordinance or proposal shall include  
17 the following provisions:

18 (d) (I) A provision that the sale of tangible personal property and  
19 services taxable pursuant to this ~~article~~ ARTICLE 2 shall be the same as the  
20 sale of tangible personal property and services taxable pursuant to section  
21 39-26-104, except as otherwise provided in this subsection (1)(d). The

1 sale of tangible personal property and services taxable pursuant to this  
2 ~~article~~ ARTICLE 2 shall be subject to the same sales tax exemptions as  
3 those specified in part 7 of article 26 of title 39; except that the sale of the  
4 following may be exempted from a town, city, or county sales tax only by  
5 the express inclusion of the exemption either at the time of adoption of  
6 the initial sales tax ordinance or resolution or by amendment thereto:

7 (P) THE EXEMPTION FOR MANUFACTURED HOMES SET FORTH IN  
8 SECTION 39-26-721 (3).

9 **SECTION 3. Act subject to petition - effective date.** This act  
10 takes effect at 12:01 a.m. on the day following the expiration of the  
11 ninety-day period after final adjournment of the general assembly (August  
12 8, 2018, if adjournment sine die is on May 9, 2018); except that, if a  
13 referendum petition is filed pursuant to section 1 (3) of article V of the  
14 state constitution against this act or an item, section, or part of this act  
15 within such period, then the act, item, section, or part will not take effect  
16 unless approved by the people at the general election to be held in  
17 November 2018 and, in such case, will take effect on the date of the  
18 official declaration of the vote thereon by the governor.