

CHAPTER 421

REVENUE - ACTIVITIES REGULATION

SENATE BILL 19-142

BY SENATOR(S) Donovan, Bridges, Fenberg, Fields, Marble, Moreno, Priola, Story, Tate, Winter, Woodward;
also REPRESENTATIVE(S) McCluskie, Arndt, Bird, Duran, Gray, Hansen, Herod, Hooton, Neville, Roberts, Saine, Soper,
Valdez D.

AN ACT

CONCERNING THE EXCLUSION OF HARD CIDER FROM THE "COLORADO WINE INDUSTRY DEVELOPMENT ACT", AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, 35-29.5-102, **amend** the introductory portion and (4) as follows:

35-29.5-102. Definitions. AS used in this ~~article~~ ARTICLE 29.5, unless the context otherwise requires:

(4) (a) "Wine" means any vinous liquor containing not more than twenty-one percent alcohol by volume and produced in all respects in conformity with the laws of the United States and the regulations of the bureau of alcohol, tobacco, and firearms of the United States department of the treasury or any of its successor agencies.

(b) "WINE" DOES NOT INCLUDE HARD CIDER AS DEFINED IN SECTION 44-3-103 (20).

SECTION 2. In Colorado Revised Statutes, 44-3-503, **amend** (1)(d) as follows:

44-3-503. Excise tax - records - rules - definition. (1) (d) (I) An excise tax of ten dollars per ton of grapes is imposed upon all grapes of the vinifera varieties or other produce used in the production of wine in this state by a licensed Colorado winery or vintner's restaurant, whether true or hybrid. The excise tax imposed pursuant to this subsection (1)(d) shall be paid to the department by the licensed winery or vintner's restaurant at the time of purchase of the product by the winery

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

or vintner's restaurant or of importation of the product, whichever is later. An amount equal to one hundred percent of such excise tax shall be transferred from the general fund to the Colorado wine industry development fund created in section 35-29.5-105. Such transfers shall be made by the state treasurer as soon as possible after the twentieth day of the month following the collection of such excise tax.

(II) THE EXCISE TAX IMPOSED IN ACCORDANCE WITH THIS SUBSECTION (1)(d) DOES NOT APPLY TO PRODUCE USED IN THE PRODUCTION OF HARD CIDER.

SECTION 3. Appropriation. For the 2019-20 state fiscal year, \$2,000 is appropriated to the department of revenue. This appropriation is from the general fund. To implement this act, the department may use this appropriation for tax administration IT system (GenTax) support.

SECTION 4. Act subject to petition - effective date. This act takes effect September 1, 2019; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within the ninety-day period after final adjournment of the general assembly, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2020 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: June 3, 2019