

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

INTRODUCED

LLS NO. 21-0398.02 Sarah Lozano x3858

SENATE BILL 21-130

SENATE SPONSORSHIP

Holbert,

HOUSE SPONSORSHIP

Van Winkle,

Senate Committees

State, Veterans, & Military Affairs

House Committees

A BILL FOR AN ACT

101 **CONCERNING AUTHORIZATION FOR LOCAL GOVERNMENTS TO EXEMPT**
102 **BUSINESS PERSONAL PROPERTY FROM TAXATION.**

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>.)

The bill allows counties, municipalities, and special districts to exempt up to 100% of business personal property from the levy and collection of property taxation for the 2021 property tax year.

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

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.

1 **SECTION 1. Legislative declaration.** (1) The general assembly
2 hereby finds and declares that:

3 (a) Due to the COVID-19 pandemic, Colorado lost an estimated
4 148,800 jobs in 2020;

5 (b) Experts are predicting that it could be several years before the
6 Colorado economy has fully rebounded from the effects of the pandemic;

7 (c) It is imperative that Colorado businesses are provided relief so
8 they can continue their operations and retain their employees;

9 (d) The flexibility for local governments to exempt business
10 personal property would provide much needed assistance to Colorado
11 businesses that have been impacted by COVID-19 restrictions and attract
12 new business to a local government's jurisdiction; and

13 (e) House Bill 12-1029, enacted in 2012, which also gave local
14 governments the flexibility to offer incentives related to business personal
15 property to taxpayers during times of financial difficulty for Coloradans,
16 passed with bipartisan support and did not require backfilling or
17 diminishing school district funds.

18 (2) Therefore, the general assembly should encourage and
19 authorize local governments to provide an exemption for business
20 personal property tax that would otherwise be collected during the 2022
21 calendar year.

22 **SECTION 2.** In Colorado Revised Statutes, **amend** 39-3-118.5
23 as follows:

24 **39-3-118.5. Business personal property - exemption -**
25 **exemption authority for local governments.** (1) For property tax years
26 commencing on and after January 1, 1996, business personal property
27 shall be exempt from the levy and collection of property tax until such

1 business personal property is first used in the business after acquisition.

2 (2) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1,
3 2021, ANY COUNTY, MUNICIPALITY, OR SPECIAL DISTRICT MAY EXEMPT
4 FROM THE LEVY AND COLLECTION OF PROPERTY TAX UP TO ONE HUNDRED
5 PERCENT OF ANY BUSINESS PERSONAL PROPERTY.

6 **SECTION 3. Safety clause.** The general assembly hereby finds,
7 determines, and declares that this act is necessary for the immediate
8 preservation of the public peace, health, or safety.