

First Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

REREVISED

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

LLS NO. 11-0075.02 Jery Payne

HOUSE BILL 11-1093

HOUSE SPONSORSHIP

Bradford, Sonnenberg

SENATE SPONSORSHIP

Cadman,

House Committees
Transportation

Senate Committees
Transportation

A BILL FOR AN ACT

101 **CONCERNING THE PAYMENT OF SPECIFIC OWNERSHIP TAX ON SPECIAL**
102 **MOBILE MACHINERY.**

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://www.leg.state.co.us/billsummaries>.)

Currently, farm equipment meeting the definition of special mobile machinery must be registered as Class F personal property if it is used for any purpose other than agricultural production for more than 24 hours. **Section 1** of the bill extends the period to 72 hours. **Section 2** changes the specific ownership tax on special mobile machinery that is at least 10

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

SENATE
3rd Reading Unam ended
May 6, 2011

SENATE
Am ended 2nd Reading
May 5, 2011

HOUSE
3rd Reading Unam ended
February 9, 2011

HOUSE
Am ended 2nd Reading
February 8, 2011

years old to \$5.

Currently, the penalty for failure to register or reregister special mobile machinery is the greater of \$500 or double the amount of tax due. **Section 3** changes the penalty to the lesser of those amounts.

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

2 **SECTION 1.** 42-3-106 (2) (e), Colorado Revised Statutes, is
3 amended to read:

4 **42-3-106. Tax imposed - classification - taxable value.** (2) For
5 the purpose of imposing graduated annual specific ownership taxes, the
6 personal property specified in section 6 of article X of the state
7 constitution is classified as follows:

8 (e) Every item of special mobile machinery, except power takeoff
9 equipment, that is required to be registered under this article is Class F
10 personal property. If a farm tractor, meeting the definition of special
11 mobile machinery, is used for any purpose other than agricultural
12 production for more than a ~~twenty-four-hour~~ SEVENTY-TWO-HOUR period
13 at the site where it is used for nonagricultural purposes, it is Class F
14 personal property, but it ~~shall be~~ IS granted a prorated registration under
15 section 42-3-107 to cover ~~such~~ THE use. The authorized agent shall notify
16 the owner of the farm tractor of the prorated registration. Storing a farm
17 tractor at a site does not give rise to a presumption that the tractor was
18 used for the same purposes that other equipment is used for at the site.

19 **SECTION 2.** 42-3-107 (16) (c) and (17) (e) (II), Colorado
20 Revised Statutes, are amended to read:

21 **42-3-107. Taxable value of classes of property - rate of tax -**
22 **when and where payable - department duties - apportionment of tax**
23 **collections - definitions.** (16) (c) Upon receiving authorization pursuant

1 to UNDER paragraph (b) of this subsection (16), the owner shall collect
2 from the user the specific ownership tax in the amount equivalent to two
3 percent of the amount of the rental or lease payment. No later than the
4 twentieth day of each month, the owner shall submit a report, using forms
5 furnished by the department, to the authorized agent in the EACH county
6 in which WHERE the equipment is used, together with the remittance for
7 all OF THE taxes collected FOR THE USE IN THE COUNTY for the preceding
8 month. A copy of each report shall be submitted simultaneously by the
9 owner to the department. _____

10 (17) (e) (II) ~~No owner may~~ A PERSON SHALL NOT operate special
11 mobile machinery in Colorado unless the owner has paid the specific
12 ownership tax assessed pursuant to this article, ~~nor~~ AND A PERSON shall
13 ~~any owner~~ NOT operate special mobile machinery in Colorado after the
14 expiration of the period for which the specific ownership tax was assessed
15 PAID. A person who violates ~~the provisions of this subparagraph (II) shall~~
16 ~~be~~ IS subject to, in addition to any other ~~applicable~~ penalty, an
17 administrative penalty of THE LESSER OF five hundred dollars or double
18 the amount of the specific ownership tax. ~~whichever is greater. Such THE~~
19 penalty may be levied by AN AUTHORIZED AGENT OR a peace officer ~~as~~
20 ~~described in section 16-2.5-101, C.R.S., and authorized~~ UNDER THE
21 AUTHORITY GRANTED by section 42-8-104 (2). ~~Such THE violation shall~~
22 ~~be~~ IS TO BE determined by, paid to, and retained by the municipality or
23 county ~~in which such~~ WHERE THE motor vehicle is or should have been
24 registered, subject to judicial review pursuant to rule 106 (a) (4) of the
25 Colorado rules of civil procedure.

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