

Second Regular Session  
Sixty-ninth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 14-0489.01 Esther van Mourik x4215

HOUSE BILL 14-1326

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HOUSE SPONSORSHIP

Primavera and Scott,

SENATE SPONSORSHIP

Hodge,

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House Committees

Transportation & Energy  
Finance

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING TAX INCENTIVES FOR ALTERNATIVE FUEL TRUCKS.

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>.)*

The bill:

- ! Allows an income tax credit for the purchase or conversion of an electric or plug-in electric truck with a gross vehicle weight rating of over 8,500 pounds at a percentage of the actual cost incurred and caps the total amount a taxpayer may claim in a tax year;
- ! Expands the income tax credit for the purchase or

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.

conversion of a truck equipped to operate on compressed natural gas and liquefied petroleum gas to include liquefied natural gas and hydrogen and also allows the credit for heavy duty trucks;

- ! Allows an income tax credit for the purchase of devices on the United States environmental protection agency's smartway verified technology list that minimizes drag and improves air flow over a truck and trailer;
- ! Allows an income tax credit for the purchase of clean fuel refrigerated trailers; and
- ! Makes the availability of certain of the tax credits dependent on a determination by the Colorado energy office of whether any category 4, 4 A, 4 B, 4 C, 7, or 7 A medium or heavy duty trucks are actually reducing emissions over a life-cycle period as compared to the emissions of similar trucks using traditional fuel.

The applicability of the current sales and use tax exemption for motor vehicles, power source for any motor vehicle, or parts used for converting the power source for any motor vehicle is limited, as of July 1, 2014, to those motor vehicles with gross vehicle weight ratings greater than:

- ! 26,000 pounds if the motor vehicle, power source for the motor vehicle, or parts used for converting the power source for the motor vehicle are certified by the United States environmental protection agency and the national highway traffic safety administration as provided in the federal heavy-duty program that includes new greenhouse gas emissions standards and new fuel efficiency standards; or
- ! 10,000 pounds if the motor vehicle, power source for the motor vehicle, or parts used for converting the power source for the motor vehicle meets the definitions of category 4, 4 A, 4 B, 4 C, 7, and 7 B trucks.

The taxable value of category 4, 4 A, 4 B, 4 C, 7, and 7 B trucks is reduced to 75% of the actual purchase price of those trucks for purposes of calculating the specific ownership tax.

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

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

4 (a) A diverse range of stakeholders within the state, both public

1 and private, recognize the important health, environmental, and market  
2 benefits of motor vehicles powered by alternative fuels, as recognized in  
3 the state's multi-state Natural Gas Vehicles Memorandum of  
4 Understanding of 2011, the Colorado Electric Vehicle and Infrastructure  
5 Readiness Plan of 2012, and the state's Natural Gas Fueled Fleet Vehicles  
6 Memorandum of Understanding of 2013;

7 (b) Income tax credits are an important incentive for taxpayers  
8 looking to purchase alternative fuel vehicles and accelerate the entry of  
9 such vehicles into the Colorado market;

10 (c) The current income tax credit for alternative fuel vehicles does  
11 not adequately address heavy duty alternative fuel vehicles even though  
12 the benefits of their emission reductions and energy security are reported  
13 to be significant, and as such, these vehicles and their associated clean  
14 fuel refrigerated trailers should be included in the tax credit; and

15 (d) Given the higher up-front cost of medium and heavy duty  
16 alternative fuel vehicles compared with their traditional fuel counterparts,  
17 the specific ownership tax is greater and creates a disincentive for the  
18 purchase of such vehicles. It is therefore necessary to establish a method  
19 to tax alternative fuel vehicles at a comparable rate to traditional fuel  
20 vehicles.

21 **SECTION 2.** In Colorado Revised Statutes, **add** 39-22-516.8 as  
22 follows:

23 **39-22-516.8. Tax credit for innovative trucks - definitions -**  
24 **repeal.** (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
25 REQUIRES:

26 (a) (I) (A) "ACTUAL COST INCURRED" MEANS THE ACTUAL COST  
27 PAID BY THE PURCHASER FOR A USED TRUCK OR CLEAN FUEL

1 REFRIGERATED TRAILER, CONVERSION OF A TRUCK OR CLEAN FUEL  
2 REFRIGERATED TRAILER, IDLING REDUCTION TECHNOLOGIES, OR  
3 AERODYNAMIC TECHNOLOGIES, MINUS ANY CREDITS, GRANTS, OR  
4 REBATES, INCLUDING FEDERAL CREDITS, GRANTS, OR REBATES FOR WHICH  
5 THE PURCHASER IS ELIGIBLE, BUT EXCLUDING THE CREDIT SPECIFIED IN  
6 THIS SECTION.

7 (B) "ACTUAL COST INCURRED" MEANS THE MANUFACTURER'S  
8 SUGGESTED RETAIL PRICE FOR A NEW TRUCK OR CLEAN FUEL  
9 REFRIGERATED TRAILER THAT A PERSON PURCHASES MINUS ANY CREDITS,  
10 GRANTS, OR REBATES, INCLUDING FEDERAL CREDITS, GRANTS, OR REBATES  
11 FOR WHICH THE PERSON IS ELIGIBLE, BUT EXCLUDING THE CREDIT  
12 SPECIFIED IN THIS SECTION.

13 (II) FOR PURPOSES OF A LEASE, "ACTUAL COST INCURRED" MEANS  
14 THE TOTAL OF PAYMENTS CONTRACTED IN THE LEASE FOR THE TRUCK  
15 MINUS:

16 (A) ANY SECURITY DEPOSIT INCLUDED IN THE TOTAL OF  
17 PAYMENTS;

18 (B) THE RENT CHARGE INCLUDED IN THE TOTAL OF PAYMENTS;

19 (C) ANY SALES TAX INCLUDED IN THE TOTAL OF PAYMENTS;

20 (D) ANY TITLING AND REGISTRATION FEES INCLUDED IN THE TOTAL  
21 OF PAYMENTS;

22 (E) ANY DISPOSITION FEE INCLUDED IN THE TOTAL OF PAYMENTS;

23 (F) ANY ADMINISTRATIVE FEE OR ANY OTHER FEE THAT DOES NOT  
24 REFLECT THE VALUE OF THE TRUCK INCLUDED IN THE TOTAL OF  
25 PAYMENTS; AND

26 (G) ANY CREDITS, GRANTS, OR REBATES, INCLUDING FEDERAL  
27 CREDITS, GRANTS, OR REBATES FOR WHICH THE LESSEE OR LESSOR IS

1 ELIGIBLE, BUT EXCLUDING THE CREDIT SPECIFIED IN THIS SECTION.

2 (b) "AERODYNAMIC TECHNOLOGIES" MEANS A DEVICE ON THE  
3 UNITED STATES ENVIRONMENTAL PROTECTION AGENCY'S SMARTWAY  
4 VERIFIED TECHNOLOGY LIST THAT MINIMIZES DRAG AND IMPROVES AIR  
5 FLOW OVER A TRUCK AND TRAILER.

6 (c) "ALTERNATIVE FUEL" MEANS AN ALTERNATIVE FUEL AS  
7 DEFINED IN SECTION 25-7-106.8 (1) (a), C.R.S.

8 (d) "BATTERY CAPACITY" MEANS THE QUANTITY OF ELECTRICITY  
9 THAT A BATTERY IS CAPABLE OF STORING, EXPRESSED IN KILOWATT  
10 HOURS, AS MEASURED FROM A ONE HUNDRED PERCENT STATE OF CHARGE  
11 TO A ZERO PERCENT STATE OF CHARGE.

12 (e) "BUS" MEANS A MOTOR VEHICLE WITH A MINIMUM SEATING  
13 CAPACITY OF THIRTY-THREE, INCLUDING THE DRIVER.

14 (f) "CATEGORY 4" MEANS ORIGINAL EQUIPMENT MANUFACTURER  
15 TRUCKS THAT ARE EQUIPPED TO OPERATE ON COMPRESSED NATURAL GAS  
16 OR ON LIQUEFIED PETROLEUM GAS. FOR PURPOSES OF THIS PARAGRAPH (f),  
17 "OPERATE ON COMPRESSED NATURAL GAS OR ON LIQUEFIED PETROLEUM  
18 GAS" MEANS A TRUCK THAT OPERATES EXCLUSIVELY ON COMPRESSED  
19 NATURAL GAS OR ON LIQUEFIED PETROLEUM GAS, OR A BI-FUEL TRUCK  
20 WITH A MULTI-FUEL ENGINE CAPABLE OF RUNNING ON EITHER COMPRESSED  
21 NATURAL GAS OR TRADITIONAL FUEL, OR ON EITHER LIQUEFIED  
22 PETROLEUM GAS OR TRADITIONAL FUEL.

23 (g) "CATEGORY 4 A" MEANS COMPRESSED NATURAL GAS OR  
24 LIQUEFIED PETROLEUM GAS CONVERSIONS CERTIFIED BY THE UNITED  
25 STATES ENVIRONMENTAL PROTECTION AGENCY. FOR PURPOSES OF THIS  
26 PARAGRAPH (g), "COMPRESSED NATURAL GAS OR LIQUEFIED PETROLEUM  
27 GAS CONVERSIONS" MEANS A CONVERSION TO A TRUCK THAT OPERATES

1 EXCLUSIVELY ON COMPRESSED NATURAL GAS OR ON LIQUEFIED  
2 PETROLEUM GAS, OR A BI-FUEL TRUCK WITH A MULTI-FUEL ENGINE  
3 CAPABLE OF RUNNING ON EITHER COMPRESSED NATURAL GAS OR  
4 TRADITIONAL FUEL, OR ON EITHER LIQUEFIED PETROLEUM GAS OR  
5 TRADITIONAL FUEL.

6 (h) "CATEGORY 4 B" MEANS ORIGINAL EQUIPMENT  
7 MANUFACTURER TRUCKS THAT ARE EQUIPPED TO OPERATE ON LIQUEFIED  
8 NATURAL GAS OR ON HYDROGEN. FOR PURPOSES OF THIS PARAGRAPH (h),  
9 "OPERATE ON LIQUEFIED NATURAL GAS OR ON HYDROGEN" MEANS A TRUCK  
10 THAT OPERATES EXCLUSIVELY ON LIQUEFIED NATURAL GAS OR ON  
11 HYDROGEN, OR A BI-FUEL TRUCK WITH A MULTI-FUEL ENGINE CAPABLE OF  
12 RUNNING ON EITHER LIQUEFIED NATURAL GAS OR TRADITIONAL FUEL, OR  
13 ON EITHER HYDROGEN OR TRADITIONAL FUEL.

14 (i) "CATEGORY 4 C" MEANS LIQUEFIED NATURAL GAS OR  
15 HYDROGEN CONVERSIONS CERTIFIED BY THE UNITED STATES  
16 ENVIRONMENTAL PROTECTION AGENCY. FOR PURPOSES OF THIS  
17 PARAGRAPH (i), "LIQUEFIED NATURAL GAS OR HYDROGEN CONVERSIONS"  
18 MEANS A CONVERSION TO A TRUCK THAT OPERATES EXCLUSIVELY ON  
19 LIQUEFIED NATURAL GAS OR ON HYDROGEN, OR A BI-FUEL TRUCK WITH A  
20 MULTI-FUEL ENGINE CAPABLE OF RUNNING ON EITHER LIQUEFIED NATURAL  
21 GAS OR TRADITIONAL FUEL, OR ON EITHER HYDROGEN OR TRADITIONAL  
22 FUEL.

23 (j) "CATEGORY 5" MEANS THE INSTALLATION OF ANY IDLING  
24 REDUCTION TECHNOLOGIES ON OR IN A TRUCK.

25 (k) "CATEGORY 6" MEANS THE INSTALLATION OF ANY  
26 AERODYNAMIC TECHNOLOGIES ON OR IN A TRUCK.

27 (l) "CATEGORY 7" MEANS AN ORIGINAL EQUIPMENT

1 MANUFACTURER ELECTRIC TRUCK AND PLUG-IN HYBRID ELECTRIC TRUCK.

2 (m) "CATEGORY 7 A" MEANS A CONVERSION OF A TRUCK TO AN  
3 ELECTRIC TRUCK OR A PLUG-IN HYBRID ELECTRIC TRUCK.

4 (n) "CATEGORY 8" MEANS A CLEAN FUEL REFRIGERATED TRAILER.

5 (o) "CATEGORY 8 A" MEANS A CONVERSION OF A REFRIGERATED  
6 TRAILER TO A CLEAN FUEL REFRIGERATED TRAILER.

7 (p) "CLEAN FUEL REFRIGERATED TRAILER" MEANS A TRAILER  
8 CAPABLE OF BEING PULLED BY A TRUCK WITH A GROSS VEHICLE WEIGHT  
9 RATING GREATER THAN FOURTEEN THOUSAND POUNDS, WITH A POWER  
10 UNIT AND FUEL STORAGE USED FOR CLIMATE CONTROL THAT:

11 (I) (A) IS INSTALLED ON THE TRAILER BY THE ORIGINAL  
12 EQUIPMENT MANUFACTURER; OR

13 (B) IS INSTALLED ON THE TRAILER THROUGH A CONVERSION  
14 CERTIFIED BY THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY;  
15 AND

16 (II) OPERATES ON EITHER COMPRESSED NATURAL GAS, LIQUEFIED  
17 NATURAL GAS, LIQUEFIED PETROLEUM GAS, HYDROGEN, OR ELECTRICITY,  
18 OR ANY COMBINATION THEREOF.

19 (q) "ELECTRIC TRUCK" OR "PLUG-IN HYBRID ELECTRIC TRUCK"  
20 MEANS A TRUCK THAT:

21 (I) HAS A GROSS VEHICLE WEIGHT RATING THAT EXCEEDS EIGHT  
22 THOUSAND FIVE HUNDRED POUNDS;

23 (II) HAS A MAXIMUM SPEED CAPABILITY OF AT LEAST FIFTY-FIVE  
24 MILES PER HOUR; AND

25 (III) IS PROPELLED TO A SIGNIFICANT EXTENT BY AN ELECTRIC  
26 MOTOR THAT DRAWS ELECTRICITY FROM A BATTERY THAT:

27 (A) HAS A BATTERY CAPACITY OF NOT LESS THAN FOUR KILOWATT

1 HOURS; AND

2 (B) IS CAPABLE OF BEING RECHARGED FROM AN EXTERNAL SOURCE  
3 OF ELECTRICITY.

4 (r) "GROSS VEHICLE WEIGHT RATING" OR "GVWR" HAS THE SAME  
5 MEANING AS SET FORTH IN SECTION 42-2-402 (6), C.R.S.

6 (s) "HEAVY DUTY TRUCK" MEANS A TRUCK WITH A GROSS VEHICLE  
7 WEIGHT RATING GREATER THAN TWENTY-SIX THOUSAND POUNDS.

8 (t) "HYBRID TRUCK" MEANS A TRUCK WITH A HYBRID PROPULSION  
9 SYSTEM THAT OPERATES ON BOTH ELECTRICITY AND AN ALTERNATIVE  
10 FUEL OR TRADITIONAL FUEL.

11 (u) "IDLING REDUCTION TECHNOLOGIES" MEANS IDLING  
12 REDUCTION DEVICES OR ADVANCED INSULATION, AS THOSE TERMS ARE  
13 DEFINED IN SECTION 4053 OF THE INTERNAL REVENUE CODE, AS AMENDED,  
14 THAT ARE EXEMPT FROM FEDERAL EXCISE TAX PURSUANT TO SAID SECTION  
15 4053.

16 (v) "LIGHT DUTY PASSENGER MOTOR VEHICLE" MEANS A PRIVATE  
17 PASSENGER MOTOR VEHICLE, INCLUDING VANS, CAPABLE OF SEATING  
18 TWELVE PASSENGERS OR LESS; EXCEPT THAT THE TERM DOES NOT INCLUDE  
19 MOTOR HOMES AS DEFINED IN SECTION 42-1-102 (57), C.R.S., OR MOTOR  
20 VEHICLES DESIGNED TO TRAVEL ON THREE OR FEWER WHEELS IN CONTACT  
21 WITH THE GROUND.

22 (w) "LIGHT DUTY TRUCK" MEANS A TRUCK WITH A GROSS VEHICLE  
23 WEIGHT RATING LESS THAN OR EQUAL TO FOURTEEN THOUSAND POUNDS  
24 BUT DOES NOT INCLUDE A LIGHT DUTY PASSENGER MOTOR VEHICLE.

25 (x) "MEDIUM DUTY TRUCK" MEANS A TRUCK WITH A GROSS  
26 VEHICLE WEIGHT RATING GREATER THAN FOURTEEN THOUSAND POUNDS  
27 AND UP TO TWENTY-SIX THOUSAND POUNDS.

1 (y) "TRADITIONAL FUEL" MEANS A PETROLEUM-BASED MOTOR  
2 FUEL COMMONLY USED ON THE HIGHWAYS OF THE STATE IN THE YEAR  
3 2008.

4 (z) "TRAILER" HAS THE SAME MEANING AS IN SECTION 42-1-102  
5 (105), C.R.S.

6 (aa) "TRUCK" HAS THE SAME MEANING AS IN SECTION 42-1-102  
7 (108), C.R.S., INCLUDES A HYBRID TRUCK, A LIGHT DUTY PASSENGER  
8 MOTOR VEHICLE, AND A BUS, HAS A MAXIMUM SPEED CAPABILITY OF AT  
9 LEAST FIFTY-FIVE MILES PER HOUR, IS LICENSED OR SUBJECT TO LICENSING  
10 FOR OPERATION UPON THE HIGHWAYS OF THE STATE, AND IS EITHER:

- 11 (I) TITLED AND REGISTERED IN THE STATE; OR
- 12 (II) REGISTERED UNDER THE INTERNATIONAL REGISTRATION PLAN  
13 AND BASE PLATED IN THE STATE.

14 (2) **Category 4.** (a) EXCEPT AS PROVIDED IN SUBSECTION (14) OF  
15 THIS SECTION, WITH RESPECT TO THE INCOME TAX YEARS COMMENCING ON  
16 OR AFTER JANUARY 1, 2014, BUT BEFORE JANUARY 1, 2022, THERE IS  
17 ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS  
18 ARTICLE AS A PERCENTAGE SET FORTH IN PARAGRAPH (b) OF THIS  
19 SUBSECTION (2) OF THE ACTUAL COST INCURRED BY THE TAXPAYER  
20 DURING THE TAX YEAR FOR EACH PURCHASE OR LEASE OF A CATEGORY 4  
21 TRUCK, NOT TO EXCEED THE AMOUNT SET FORTH IN PARAGRAPH (b) OF  
22 THIS SUBSECTION (2). FOR PURPOSES OF THE INCOME TAX YEAR  
23 COMMENCING ON OR AFTER JANUARY 1, 2014, BUT BEFORE JANUARY 1,  
24 2015, THE PURCHASE OR LEASE OF A CATEGORY 4 TRUCK MUST OCCUR ON  
25 OR AFTER JULY 1, 2014, BUT BEFORE JANUARY 1, 2015.

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(b)

INCOME TAX YEAR COMMENCING:								
	1/1/2014	1/1/2015	1/1/2017	1/1/2018	1/1/2019	1/1/2020	1/1/2021	CAP PER
								INCOME
								TAX
								YEAR
LIGHT DUTY PASSENGER MOTOR VEHICLE	18%	15%	11.25%	7.5%	3.75%	\$6,000		
LIGHT DUTY TRUCK	18%	15%	11.25%	7.5%	3.75%	\$7,500		
MEDIUM DUTY TRUCK	18%	15%	11.25%	7.5%	3.75%	\$15,000		
HEAVY DUTY TRUCK	18%	15%	11.25%	7.5%	3.75%	\$20,000		

(3) **Category 4 A.** (a) EXCEPT AS PROVIDED IN SUBSECTION (14) OF THIS SECTION, WITH RESPECT TO THE INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2014, BUT BEFORE JANUARY 1, 2022, THERE IS ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE AS A PERCENTAGE SET FORTH IN PARAGRAPH (b) OF THIS SUBSECTION (3) OF THE ACTUAL COST INCURRED BY THE TAXPAYER DURING THE TAX YEAR FOR THE CONVERSION OF A CATEGORY 4 A TRUCK, NOT TO EXCEED THE AMOUNT SET FORTH IN PARAGRAPH (b) OF THIS SUBSECTION (3). FOR PURPOSES OF THE INCOME TAX YEAR COMMENCING ON OR AFTER JANUARY 1, 2014, BUT BEFORE JANUARY 1, 2015, THE CONVERSION OF A CATEGORY 4 A TRUCK MUST OCCUR ON OR AFTER JULY 1, 2014, BUT BEFORE JANUARY 1, 2015.

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(b)

INCOME TAX YEAR COMMENCING:										
	1/1/2014	1/1/2015	1/1/2016	1/1/2017	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	CAP PER
										INCOME
										TAX
										YEAR
LIGHT DUTY										
PASSENGER										
MOTOR										
VEHICLE	55%	45%	33.75%	22.5%	11.25%	\$6,000				
LIGHT DUTY										
TRUCK	55%	45%	33.75%	22.5%	11.25%	\$7,500				
MEDIUM DUTY										
TRUCK	55%	45%	33.75%	22.5%	11.25%	\$15,000				
HEAVY DUTY										
TRUCK	55%	45%	33.75%	22.5%	11.25%	\$20,000				

16 (4) **Category 4 B.** (a) EXCEPT AS PROVIDED IN SUBSECTION (14)  
 17 OF THIS SECTION, WITH RESPECT TO THE INCOME TAX YEARS COMMENCING  
 18 ON OR AFTER JANUARY 1, 2014, BUT BEFORE JANUARY 1, 2022, THERE IS  
 19 ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS  
 20 ARTICLE AS A PERCENTAGE SET FORTH IN PARAGRAPH (b) OF THIS  
 21 SUBSECTION (4) OF THE ACTUAL COST INCURRED BY THE TAXPAYER  
 22 DURING THE TAX YEAR FOR EACH PURCHASE OR LEASE OF A CATEGORY 4  
 23 B TRUCK, NOT TO EXCEED THE AMOUNT SET FORTH IN PARAGRAPH (b) OF  
 24 THIS SUBSECTION (4). FOR PURPOSES OF THE INCOME TAX YEAR  
 25 COMMENCING ON OR AFTER JANUARY 1, 2014, BUT BEFORE JANUARY 1,  
 26 2015, THE PURCHASE OR LEASE OF A CATEGORY 4 B TRUCK MUST OCCUR  
 27 ON OR AFTER JULY 1, 2014, BUT BEFORE JANUARY 1, 2015.



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(b)

INCOME TAX YEAR COMMENCING:						
	1/1/2014	1/1/2015	1/1/2016	1/1/2017	1/1/2018	1/1/2019
					1/1/2020	1/1/2021
						1/1/2022
						CAP PER
						INCOME
						TAX
						YEAR
LIGHT DUTY PASSENGER MOTOR VEHICLE	55%	45%	33.75%	22.5%	11.25%	\$6,000
LIGHT DUTY TRUCK	55%	45%	33.75%	22.5%	11.25%	\$7,500
MEDIUM DUTY TRUCK	55%	45%	33.75%	22.5%	11.25%	\$15,000
HEAVY DUTY TRUCK	55%	45%	33.75%	22.5%	11.25%	\$20,000

(6) **Category 5.** WITH RESPECT TO THE INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2015, BUT BEFORE JANUARY 1, 2022, THERE IS ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE OF TWENTY-FIVE PERCENT OF THE ACTUAL COST INCURRED BY THE TAXPAYER DURING A TAX YEAR FOR CATEGORY 5, NOT TO EXCEED SIX THOUSAND DOLLARS.

(7) **Category 6.** WITH RESPECT TO THE INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2014, BUT BEFORE JANUARY 1, 2022, THERE IS ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE OF TWENTY-FIVE PERCENT OF THE ACTUAL COST INCURRED BY THE TAXPAYER DURING A TAX YEAR FOR CATEGORY 6, NOT TO EXCEED SIX THOUSAND DOLLARS. FOR PURPOSES OF THE INCOME TAX YEAR COMMENCING ON OR AFTER JANUARY 1, 2014, BUT BEFORE JANUARY 1, 2015, THE INSTALLATION MUST OCCUR ON OR AFTER JULY 1, 2014, BUT



1	HEAVY DUTY						
2	TRUCK	18%	15%	11.25%	7.5%	3.75%	\$20,000

3 (9) **Category 7 A.** (a) EXCEPT AS PROVIDED IN SUBSECTION (14)  
4 OF THIS SECTION, WITH RESPECT TO THE INCOME TAX YEARS COMMENCING  
5 ON OR AFTER JANUARY 1, 2014, BUT BEFORE JANUARY 1, 2022, THERE IS  
6 ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS  
7 ARTICLE AS A PERCENTAGE SET FORTH IN PARAGRAPH (b) OF THIS  
8 SUBSECTION (9) OF THE ACTUAL COST INCURRED BY THE TAXPAYER  
9 DURING THE TAX YEAR FOR THE CONVERSION OF A CATEGORY 7 A TRUCK,  
10 NOT TO EXCEED THE AMOUNT SET FORTH IN PARAGRAPH (b) OF THIS  
11 SUBSECTION (9). FOR PURPOSES OF THE INCOME TAX YEAR COMMENCING  
12 ON OR AFTER JANUARY 1, 2014, BUT BEFORE JANUARY 1, 2015, THE  
13 CONVERSION OF A CATEGORY 7 A TRUCK MUST OCCUR ON OR AFTER JULY  
14 1, 2014, BUT BEFORE JANUARY 1, 2015.

15	(b)	INCOME TAX YEAR COMMENCING:					
16						1/1/2021	CAP PER
17		1/1/2014				BUT	INCOME
18		1/1/2015	1/1/2017			BEFORE	TAX
19		1/1/2016	1/1/2018	1/1/2019	1/1/2020	1/1/2022	YEAR
20	LIGHT DUTY						
21	PASSENGER						
22	MOTOR VEHICLE						
23	WITH A GVWR						
24	OVER 8,500 LBS	55%	45%	33.75%	22.5%	11.25%	\$6,000
25	LIGHT DUTY						
26	TRUCK	55%	45%	33.75%	22.5%	11.25%	\$7,500

1	MEDIUM DUTY						
2	TRUCK	55%	45%	33.75%	22.5%	11.25%	\$15,000
3	HEAVY DUTY						
4	TRUCK	55%	45%	33.75%	22.5%	11.25%	\$20,000

5 (10) **Category 8.** (a) WITH RESPECT TO THE INCOME TAX YEARS  
6 COMMENCING ON OR AFTER JANUARY 1, 2014, BUT BEFORE JANUARY 1,  
7 2022, THERE IS ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX  
8 IMPOSED BY THIS ARTICLE AS A PERCENTAGE SET FORTH IN PARAGRAPH (b)  
9 OF THIS SUBSECTION (10) OF THE ACTUAL COST INCURRED BY THE  
10 TAXPAYER DURING THE TAX YEAR FOR EACH PURCHASE OR LEASE OF A  
11 CATEGORY 8 TRAILER, NOT TO EXCEED THE AMOUNT SET FORTH IN  
12 PARAGRAPH (b) OF THIS SUBSECTION (10). FOR PURPOSES OF THE INCOME  
13 TAX YEAR COMMENCING ON OR AFTER JANUARY 1, 2014, BUT BEFORE  
14 JANUARY 1, 2015, THE PURCHASE OR LEASE OF A CATEGORY 8 TRAILER  
15 MUST OCCUR ON OR AFTER JULY 1, 2014, BUT BEFORE JANUARY 1, 2015.

16 (b)

INCOME TAX YEAR COMMENCING:							
					1/1/2021	CAP PER	
	1/1/2014				BUT	INCOME	
	1/1/2015	1/1/2017			BEFORE	TAX	
	1/1/2016	1/1/2018	1/1/2019	1/1/2020	1/1/2022	YEAR	
21	CATEGORY 8	18%	15%	11.75%	7.5%	3.75%	\$7,500

22 (11) **Category 8 A.** (a) WITH RESPECT TO THE INCOME TAX YEARS  
23 COMMENCING ON OR AFTER JANUARY 1, 2014, BUT BEFORE JANUARY 1,  
24 2022, THERE IS ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX  
25 IMPOSED BY THIS ARTICLE AS A PERCENTAGE SET FORTH IN PARAGRAPH (b)  
26 OF THIS SUBSECTION (11) OF THE ACTUAL COST INCURRED BY THE  
27 TAXPAYER DURING THE TAX YEAR FOR THE CONVERSION OF A

1 REFRIGERATED TRAILER TO A CATEGORY 8 A TRAILER, NOT TO EXCEED  
 2 THE AMOUNT SET FORTH IN PARAGRAPH (b) OF THIS SUBSECTION (11). FOR  
 3 PURPOSES OF THE INCOME TAX YEAR COMMENCING ON OR AFTER JANUARY  
 4 1, 2014, BUT BEFORE JANUARY 1, 2015, THE CONVERSION OF A  
 5 REFRIGERATED TRAILER TO A CATEGORY 8 A TRAILER MUST OCCUR ON OR  
 6 AFTER JULY 1, 2014, BUT BEFORE JANUARY 1, 2015.

7 (b)

INCOME TAX YEAR COMMENCING:						
					1/1/2021	CAP PER
	1/1/2014				BUT	INCOME
	1/1/2015	1/1/2017			BEFORE	TAX
	1/1/2016	1/1/2018	1/1/2019	1/1/2020	1/1/2022	YEAR
CATEGORY 8 A	55%	45%	33.75%	22.5%	11.25%	\$7,500

13 (12) A TAXPAYER CLAIMING THE CREDIT AUTHORIZED BY THIS  
 14 SECTION SHALL NOT CLAIM THE CREDIT IN AN AMOUNT THAT EXCEEDS THE  
 15 INCREMENTAL COST OF THE ACTUAL COST INCURRED FOR THE CATEGORY  
 16 4, 4 A, 4 B, 4 C, 7, OR 7 A TRUCK OR MOTOR VEHICLE OVER THE  
 17 MANUFACTURER'S SUGGESTED RETAIL PRICE OF A COMPARABLE  
 18 TRADITIONAL FUEL TRUCK OR LIGHT DUTY PASSENGER MOTOR VEHICLE.

19 (13) IF A CREDIT AUTHORIZED IN THIS SECTION EXCEEDS THE  
 20 INCOME TAX DUE ON THE INCOME OF THE TAXPAYER FOR THE TAXABLE  
 21 YEAR, THE EXCESS CREDIT MAY NOT BE CARRIED FORWARD AND MUST BE  
 22 REFUNDED TO THE TAXPAYER.

23 (14) (a) DURING THE CALENDAR YEAR ENDING DECEMBER 31,  
 24 2018, THE COLORADO ENERGY OFFICE CREATED IN SECTION 24-38.5-101,  
 25 C.R.S., SHALL DETERMINE WHETHER CATEGORY 4, 4 A, 4 B, 4 C, 7, OR 7  
 26 A MEDIUM OR HEAVY DUTY TRUCKS GENERATE LIFE-CYCLE EMISSIONS  
 27 MATERIALLY GREATER THAN COMPARABLE MEDIUM OR HEAVY DUTY

1 TRUCKS USING TRADITIONAL FUEL. SUCH A LIFE-CYCLE ANALYSIS MUST  
2 INCLUDE THE DIRECT EMISSIONS REGULATED BY THE UNITED STATES  
3 ENVIRONMENTAL PROTECTION AGENCY OR BY THE DEPARTMENT OF PUBLIC  
4 HEALTH AND ENVIRONMENT THAT ARE ASSOCIATED WITH PRODUCING,  
5 TRANSPORTING, AND USING THE ALTERNATIVE OR TRADITIONAL FUELS.  
6 THE COLORADO ENERGY OFFICE SHALL CONSIDER THE LIKELY ADOPTION  
7 OF FUTURE TECHNOLOGY AT EACH STAGE OF THE LIFE-CYCLE.

8 (b) IN MAKING THE DETERMINATIONS DESCRIBED IN PARAGRAPH  
9 (a) OF THIS SUBSECTION (14), THE COLORADO ENERGY OFFICE SHALL  
10 CONSIDER PUBLIC INPUT, ANY ANALYSIS OR REPORTS PREPARED BY THE  
11 DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, OTHER STATES, OR  
12 THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, AND ANY  
13 PEER-REVIEWED STUDIES CONDUCTED IN THE UNITED STATES THAT  
14 EVALUATE SIMILAR MATTERS.

15 (c) IN THE EVENT THAT CATEGORY 4, 4 A, 4 B, 4 C, 7, OR 7 A  
16 MEDIUM OR HEAVY DUTY TRUCKS ARE SHOWN TO GENERATE LIFE-CYCLE  
17 EMISSIONS MATERIALLY GREATER THAN COMPARABLE TRADITIONAL FUEL  
18 TRUCKS, THEN THE COLORADO ENERGY OFFICE SHALL NOTIFY THE  
19 DEPARTMENT OF REVENUE THAT NO TAX CREDIT SPECIFIED IN THIS  
20 SECTION IS AVAILABLE FOR SUCH TRUCKS FOR THE INCOME TAX YEARS  
21 COMMENCING ON OR AFTER JANUARY 1, 2019, BUT BEFORE JANUARY 1,  
22 2022; EXCEPT THAT THE COLORADO ENERGY OFFICE MAY DETERMINE IF  
23 A PARTICULAR CATEGORY 4, 4 A, 4 B, 4 C, 7, OR 7 A TRUCK MODEL OR  
24 ENGINE DOES NOT GENERATE LIFE-CYCLE EMISSIONS MATERIALLY  
25 GREATER THAN A COMPARABLE TRADITIONAL FUEL TRUCK MODEL OR  
26 ENGINE AND IS THUS ALLOWED A CREDIT FOR A GIVEN INCOME TAX YEAR,  
27 OR THE COLORADO ENERGY OFFICE MAY ALLOW A CREDIT IF THE

1 TAXPAYER CAN DEMONSTRATE THAT THE TAXPAYER HAS A LONG-TERM  
2 FUEL CONTRACT FOR HIS OR HER CATEGORY 4, 4 A, 4 B, 4 C, 7, OR 7 A  
3 TRUCK FROM A GREEN FUEL PROVIDER, SUCH THAT THE LIFE-CYCLE  
4 EMISSIONS FROM SUCH TRUCK ARE NOT MATERIALLY GREATER THAN THE  
5 EMISSIONS OF A COMPARABLE TRADITIONAL FUEL TRUCK. FOR PURPOSES  
6 OF THIS PARAGRAPH (c), "GREEN FUEL PROVIDER" MEANS THE  
7 ALTERNATIVE FUEL IS PRODUCED AND DELIVERED BY PROVIDERS THAT  
8 HAVE ADOPTED BEST PRACTICES FOR LOW LIFE-CYCLE EMISSIONS. ON OR  
9 BEFORE JANUARY 1, 2019, AND ON OR BEFORE EACH JANUARY 1  
10 THEREAFTER THROUGH JANUARY 1, 2021, THE COLORADO ENERGY OFFICE  
11 AND THE DEPARTMENT OF REVENUE SHALL, THROUGH THEIR RESPECTIVE  
12 WEB SITES, SPECIFY WHICH CATEGORY 4, 4 A, 4 B, 4 C, 7, OR 7 A MEDIUM  
13 OR HEAVY DUTY TRUCKS ARE NOT ALLOWED A CREDIT FOR A GIVEN  
14 INCOME TAX YEAR.

15 (15) NO MORE THAN ONE TAX CREDIT SHALL BE GRANTED  
16 PURSUANT TO THIS SECTION AND SECTIONS 39-22-516, 39-22-516.5, AND  
17 39-22-516.7 FOR ANY INDIVIDUAL MOTOR VEHICLE OR TRUCK.

18 (16) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2026.

19 **SECTION 3.** In Colorado Revised Statutes, 39-22-516.7, **amend**  
20 (1) (h), (1) (i), (1) (j), (1) (n), (2) (a), (2) (d), (4) (e), (4) (f), (4) (g), and  
21 (6); and **add** (2) (a.5) as follows:

22 **39-22-516.7. Tax credit for innovative motor vehicles -**  
23 **definitions - repeal.** (1) As used in this section, unless the context  
24 otherwise requires:

25 (h) (I) "Category 4" means original equipment manufacturer light  
26 duty passenger motor vehicles, light duty trucks, and medium duty trucks  
27 that are equipped to operate on compressed natural gas or on liquefied

1 petroleum gas. For purposes of this paragraph (h), "operate on  
2 compressed natural gas or on liquefied petroleum gas" means a motor  
3 vehicle that operates exclusively on compressed natural gas or on  
4 liquefied petroleum gas or a bi-fuel motor vehicle with a multi-fuel  
5 engine capable of running on either compressed natural gas or traditional  
6 fuel, or either liquefied petroleum gas or traditional fuel.

7 (II) THIS PARAGRAPH (h) IS REPEALED, EFFECTIVE DECEMBER 31,  
8 2019.

9 (i) (I) "Category 4 A" means light duty passenger motor vehicle,  
10 light duty truck, and medium duty truck compressed natural gas or ~~on~~  
11 liquefied petroleum gas conversions certified by the United States  
12 environmental protection agency. For purposes of this paragraph (i),  
13 "compressed natural gas or liquefied petroleum gas conversions" means  
14 a conversion to a motor vehicle that operates exclusively on compressed  
15 natural gas or on liquefied petroleum gas or a bi-fuel motor vehicle with  
16 a multi-fuel engine capable of running on either compressed natural gas  
17 or traditional fuel, or either liquefied petroleum gas or traditional fuel.

18 (II) THIS PARAGRAPH (i) IS REPEALED, EFFECTIVE DECEMBER 31,  
19 2019.

20 (j) (I) "Category 5" means the installation of any idling reduction  
21 technologies on or in a motor vehicle.

22 (II) THIS PARAGRAPH (j) IS REPEALED, EFFECTIVE DECEMBER 31,  
23 2019.

24 (n) (I) "Idling reduction technologies" means idling reduction  
25 devices or advanced insulation, as those terms are defined in section 4053  
26 of the internal revenue code, as amended, exempt from federal excise tax  
27 pursuant to said section 4053.

1 (II) THIS PARAGRAPH (n) IS REPEALED, EFFECTIVE DECEMBER 31,  
2 2019.

3 (2) (a) With respect to the tax years commencing on or after  
4 January 1, 2013, but prior to January 1, 2022, there shall be IS allowed to  
5 any person a credit against the tax imposed by this article, not to exceed  
6 six thousand dollars, for the purchase, lease, or conversion of a motor  
7 vehicle defined as category 1, category 2, OR category 3. ~~category 4, or~~  
8 ~~category 4 A.~~

9 (a.5) (I) WITH RESPECT TO THE TAX YEARS COMMENCING ON OR  
10 AFTER JANUARY 1, 2013, BUT PRIOR TO JANUARY 1, 2015, THERE IS  
11 ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS  
12 ARTICLE, NOT TO EXCEED SIX THOUSAND DOLLARS, FOR THE PURCHASE,  
13 LEASE, OR CONVERSION OF A MOTOR VEHICLE DEFINED AS CATEGORY 4 OR  
14 CATEGORY 4 A.

15 (II) THIS PARAGRAPH (a.5) IS REPEALED, EFFECTIVE DECEMBER 31,  
16 2019.

17 (d) (I) With respect to the tax years commencing on or after  
18 January 1, 2013, but prior to ~~January 1, 2022~~ JANUARY 1, 2015, there  
19 shall be IS allowed to any person a credit against the tax imposed by this  
20 article, not to exceed six thousand dollars, for category 5.

21 (II) THIS PARAGRAPH (d) IS REPEALED, EFFECTIVE DECEMBER 31,  
22 2019.

23 (4) The amount of the credit allowed pursuant to this section is  
24 calculated as follows:

25 (e) (I) **Category 4. (A)** With respect to the tax years commencing  
26 on or after January 1, 2013, but prior to January 1, 2014, ten and one-half  
27 percent of the actual cost incurred by a taxpayer during the tax year in

1 purchasing or leasing a category 4 motor vehicle;

2 ~~(H)~~ (B) With respect to the tax years commencing on or after  
3 January 1, 2014, but prior to ~~January 1, 2017~~ JANUARY 1, 2015, twelve  
4 and one-quarter percent of the actual cost incurred by a taxpayer during  
5 the tax year in purchasing or leasing a category 4 motor vehicle.

6 ~~(H)~~ ~~With respect to the tax years commencing on or after January~~  
7 ~~1, 2017, but prior to January 1, 2019, ten and one-half percent of the~~  
8 ~~actual cost incurred by a taxpayer during the tax year in purchasing or~~  
9 ~~leasing a category 4 motor vehicle;~~

10 ~~(IV)~~ ~~With respect to the tax years commencing on or after January~~  
11 ~~1, 2019, but prior to January 1, 2020, seventy-five percent of the~~  
12 ~~calculation specified in subparagraph (H) of this paragraph (e);~~

13 ~~(V)~~ ~~With respect to the tax years commencing on or after January~~  
14 ~~1, 2020, but prior to January 1, 2021, fifty percent of the calculation~~  
15 ~~specified in subparagraph (H) of this paragraph (e);~~

16 ~~(VI)~~ ~~With respect to the tax years commencing on or after January~~  
17 ~~1, 2021, but prior to January 1, 2022, twenty-five percent of the~~  
18 ~~calculation specified in subparagraph (H) of this paragraph (e).~~

19 (II) THIS PARAGRAPH (e) IS REPEALED, EFFECTIVE DECEMBER 31,  
20 2019.

21 (f) (I) **Category 4 A.** (A) With respect to the tax years  
22 commencing on or after January 1, 2013, but prior to January 1, 2014,  
23 thirty-five percent of the actual cost incurred by a taxpayer during the tax  
24 year for the conversion of a motor vehicle defined as category 4 A;

25 ~~(H)~~ (B) With respect to the tax years commencing on or after  
26 January 1, 2014, but prior to ~~January 1, 2019~~ JANUARY 1, 2015,  
27 twenty-five percent of the actual cost incurred by a taxpayer during the

1 tax year for the conversion of a motor vehicle defined as category 4 A.

2 ~~(HH) With respect to the tax years commencing on or after January~~  
3 ~~1, 2019, but prior to January 1, 2020, seventy-five percent of the~~  
4 ~~calculation specified in subparagraph (H) of this paragraph (f);~~

5 ~~(IV) With respect to the tax years commencing on or after January~~  
6 ~~1, 2020, but prior to January 1, 2021, fifty percent of the calculation~~  
7 ~~specified in subparagraph (H) of this paragraph (f);~~

8 ~~(V) With respect to the tax years commencing on or after January~~  
9 ~~1, 2021, but prior to January 1, 2022, twenty-five percent of the~~  
10 ~~calculation specified in subparagraph (H) of this paragraph (f).~~

11 (II) THIS PARAGRAPH (f) IS REPEALED, EFFECTIVE DECEMBER 31,  
12 2019.

13 (g) **Category 5.** (I) With respect to the tax years commencing on  
14 or after January 1, 2013, but prior to ~~January 1, 2019~~ JANUARY 1, 2015,  
15 twenty-five percent of the actual cost incurred by a taxpayer during the  
16 tax year for category 5.

17 ~~(II) With respect to the tax years commencing on or after January~~  
18 ~~1, 2019, but prior to January 1, 2020, seventy-five percent of the~~  
19 ~~calculation specified in subparagraph (I) of this paragraph (g); THIS~~  
20 ~~PARAGRAPH (g) IS REPEALED, EFFECTIVE DECEMBER 31, 2019.~~

21 ~~(HH) With respect to the tax years commencing on or after January~~  
22 ~~1, 2020, but prior to January 1, 2021, fifty percent of the calculation~~  
23 ~~specified in subparagraph (I) of this paragraph (g);~~

24 ~~(IV) With respect to the tax years commencing on or after January~~  
25 ~~1, 2021, but prior to January 1, 2022, twenty-five percent of the~~  
26 ~~calculation specified in subparagraph (I) of this paragraph (g).~~

27 (6) Except as provided in subsection (5) of this section, and

1 notwithstanding the allowance of credits for any tax years commencing  
2 on or after January 1, 2013, but prior to January 1, 2014, under this  
3 section and section 39-22-516.5, no more than one tax credit shall be  
4 granted pursuant to this section ~~section~~ AND SECTIONS 39-22-516, and  
5 ~~section~~ 39-22-516.5, AND 39-22-516.8 for any individual motor vehicle.

6 **SECTION 4.** In Colorado Revised Statutes, 39-22-516.7, **amend**  
7 (1) (a) (I) (A) as follows:

8 **39-22-516.7. Tax credit for innovative motor vehicles -**  
9 **definitions - repeal.** (1) As used in this section, unless the context  
10 otherwise requires:

11 (a) (I) (A) "Actual cost incurred" means the actual cost paid by the  
12 purchaser for a used motor vehicle OR conversion ~~or idling reduction~~  
13 ~~technologies~~ minus any credits, grants, or rebates, including federal  
14 credits, grants, or rebates for which the purchaser is eligible, but  
15 excluding the credit specified in this section.

16 **SECTION 5.** In Colorado Revised Statutes, 39-26-719, **amend**  
17 (1) (a) and (2) (b) (I) as follows:

18 **39-26-719. Motor vehicles - repeal.** (1) (a) There shall be  
19 exempt from taxation under the provisions of part 1 of this article the sale  
20 of any motor vehicle, power source for any motor vehicle, or parts used  
21 for converting the power source for any motor vehicle, if:

22 (I) (A) FOR SALES OCCURRING ON OR BEFORE JUNE 30, 2014, the  
23 gross vehicle weight rating of the motor vehicle is greater than ten  
24 thousand pounds and if the motor vehicle, power source, or parts used for  
25 converting the power source are certified by the ~~federal~~ UNITED STATES  
26 environmental protection agency or any state as provided in the "Federal  
27 Clean Air Act" as meeting an emission standard equal to or more

1 stringent than the low-emitting vehicle emission standard.

2 (B) THIS SUBPARAGRAPH (I) IS REPEALED, EFFECTIVE DECEMBER  
3 31, 2015.

4 (II) FOR SALES OCCURRING ON OR AFTER JULY 1, 2014:

5 (A) THE GROSS VEHICLE WEIGHT RATING OF THE MOTOR VEHICLE  
6 IS GREATER THAN TWENTY-SIX THOUSAND POUNDS AND IF THE MOTOR  
7 VEHICLE, POWER SOURCE, OR PARTS USED FOR CONVERTING THE POWER  
8 SOURCE ARE CERTIFIED BY THE UNITED STATES ENVIRONMENTAL  
9 PROTECTION AGENCY AND THE NATIONAL HIGHWAY TRAFFIC SAFETY  
10 ADMINISTRATION AS PROVIDED IN THE FEDERAL HEAVY-DUTY NATIONAL  
11 PROGRAM THAT INCLUDES NEW GREENHOUSE GAS EMISSIONS STANDARDS  
12 AS ESTABLISHED BY THE UNITED STATES ENVIRONMENTAL PROTECTION  
13 AGENCY AND THE NEW FUEL EFFICIENCY STANDARDS AS ESTABLISHED BY  
14 THE NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION; OR

15 (B) THE GROSS VEHICLE WEIGHT RATING OF THE MOTOR VEHICLE  
16 IS GREATER THAN TEN THOUSAND POUNDS AND IF THE MOTOR VEHICLE,  
17 POWER SOURCE, OR PARTS USED FOR CONVERTING THE POWER SOURCE  
18 MEETS THE DEFINITION OF A CATEGORY 4, 4 A, 4 B, 4 C, 7, OR 7 A TRUCK  
19 AS DEFINED IN SECTION 39-22-516.8.

20 (2) The following shall be exempt from taxation under the  
21 provisions of part 2 of this article:

22 (b) (I) The storage, use, or consumption of a motor vehicle, power  
23 source for a motor vehicle, and parts used for converting the power  
24 source of a motor vehicle, if:

25 (A) FOR SALES OCCURRING ON OR BEFORE JUNE 30, 2014, the gross  
26 vehicle weight rating of the motor vehicle is greater than ten thousand  
27 pounds and if the motor vehicle, power source, or parts used for

1 converting the power source are certified by the ~~federal~~ UNITED STATES  
2 environmental protection agency or any state as provided in the "Federal  
3 Clean Air Act" as meeting an emission standard equal to or more  
4 stringent than the low-emitting vehicle emission standard;

5 (B) FOR SALES OCCURRING ON OR AFTER JULY 1, 2014, THE GROSS  
6 VEHICLE WEIGHT RATING OF THE MOTOR VEHICLE IS GREATER THAN  
7 TWENTY-SIX THOUSAND POUNDS AND IF THE MOTOR VEHICLE, POWER  
8 SOURCE, OR PARTS USED FOR CONVERTING THE POWER SOURCE ARE  
9 CERTIFIED BY THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
10 AND THE NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION AS  
11 PROVIDED IN THE FEDERAL HEAVY-DUTY NATIONAL PROGRAM THAT  
12 INCLUDES NEW GREENHOUSE GAS EMISSIONS STANDARDS AS ESTABLISHED  
13 BY THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY AND THE  
14 NEW FUEL EFFICIENCY STANDARDS AS ESTABLISHED BY THE NATIONAL  
15 HIGHWAY TRAFFIC SAFETY ADMINISTRATION; OR

16 (C) FOR SALES OCCURRING ON OR AFTER JULY 1, 2014, THE GROSS  
17 VEHICLE WEIGHT RATING OF THE MOTOR VEHICLE IS GREATER THAN TEN  
18 THOUSAND POUNDS AND IF THE MOTOR VEHICLE, POWER SOURCE, OR  
19 PARTS USED FOR CONVERTING THE POWER SOURCE MEETS THE DEFINITION  
20 OF A CATEGORY 4, 4 A, 4 B, 4 C, 7, OR 7 A TRUCK AS DEFINED IN SECTION  
21 39-22-516.8.

22 **SECTION 6.** In Colorado Revised Statutes, 42-3-107, **amend** (1)  
23 (a) (I); and **add** (1) (a) (I.5) as follows:

24 **42-3-107. Taxable value of classes of property - rate of tax -**  
25 **when and where payable - department duties - apportionment of tax**  
26 **collections - definitions - rules - repeal.** (1) (a) (I) EXCEPT AS PROVIDED  
27 IN SUBPARAGRAPH (I.5) OF THIS PARAGRAPH (a), the taxable value of

1 every item of Class A or Class B personal property greater than sixteen  
2 thousand pounds declared empty vehicle weight shall be the actual  
3 purchase price of such property. Such price shall not include any  
4 applicable federal excise tax, including the excise tax on the first retail  
5 sale of a heavy truck, trailer, or tractor for which the seller is liable,  
6 transportation or shipping costs, or preparation and delivery costs. The  
7 taxable value of every item of Class A or Class B personal property less  
8 than or equal to sixteen thousand pounds declared empty vehicle weight  
9 shall be seventy-five percent of the manufacturer's suggested retail price.

10 (I.5) (A) THE TAXABLE VALUE OF EVERY ITEM OF CLASS A OR  
11 CLASS B PERSONAL PROPERTY GREATER THAN SIXTEEN THOUSAND  
12 POUNDS DECLARED EMPTY VEHICLE WEIGHT THAT MEETS THE DEFINITION  
13 OF CATEGORY 4, CATEGORY 4 A, CATEGORY 4 B, CATEGORY 4 C,  
14 CATEGORY 7, AND CATEGORY 7 A TRUCKS AS DEFINED IN SECTION  
15 39-22-516.8, C.R.S., IS SEVENTY-FIVE PERCENT OF THE ACTUAL PURCHASE  
16 PRICE OF SUCH PROPERTY.

17 (B) THIS SUBPARAGRAPH (I.5) IS REPEALED, EFFECTIVE DECEMBER  
18 31, 2026.

19 **SECTION 7. Effective date.** This act takes effect upon passage;  
20 except that section 4 of this act amending section 39-22-516.7 (1) (a) (I)  
21 (A), Colorado Revised Statutes, takes effect December 31, 2019.

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