

Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 14-0312.01 Ed DeCecco x4216

HOUSE BILL 14-1097

HOUSE SPONSORSHIP

Navarro,

SENATE SPONSORSHIP

Rivera,

House Committees
Finance

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE CREATION OF A SALES AND USE TAX HOLIDAY
102 RELATED TO FIREARMS.

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>.)

Section 1 of the bill creates a state sales and use tax exemption for firearms, ammunition, and firearm accessories. The exemption applies to these items sold on the first Friday and Saturday in August of this year and the next 2 years, but it only applies to those items sold by a participating vendor. Any vendor may elect to be a participating vendor

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.

for any year of the sales and use tax holiday, but a participating vendor cannot selectively apply the exemption.

Section 2 of the bill permits a town, city, or county to create an identical sales tax exemption.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 39-26-727 as
3 follows:

4 **39-26-727. Sales and use tax holiday - firearms, ammunition,**
5 **and accessories - definitions - legislative declaration.** (1) AS REQUIRED
6 BY SECTION 39-21-304, THE GENERAL ASSEMBLY HEREBY DECLARES THAT
7 THE PURPOSE OF THIS SECTION IS TO CREATE A SALES AND USE TAX
8 HOLIDAY FOR FIREARMS, AMMUNITION, AND FIREARM ACCESSORIES.

9 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
10 REQUIRES:

11 (a) "FIREARM ACCESSORY" MEANS A REPLACEMENT PART OR
12 ATTACHMENT FOR A FIREARM, OR ANY ITEM USED TO CARRY OR STORE A
13 FIREARM. THE TERM INCLUDES A FIREARM PART, STOCK, SCOPE, GRIP,
14 MAGAZINE, CASE, AND HOLSTER.

15 (b) "FIREARM" MEANS ANY HANDGUN, AUTOMATIC, REVOLVER,
16 PISTOL, RIFLE, SHOTGUN, OR OTHER INSTRUMENT OR DEVICE CAPABLE OR
17 INTENDED TO BE CAPABLE OF DISCHARGING BULLETS, CARTRIDGES, OR
18 OTHER EXPLOSIVE CHARGES.

19 (3) (a) ON THE FIRST FRIDAY AND SATURDAY OF AUGUST 2014,
20 2015, AND 2016, THE SALE OF ALL FIREARMS, AMMUNITION, AND FIREARM
21 ACCESSORIES BY A PARTICIPATING VENDOR IS EXEMPT FROM THE TAX
22 LEVIED PURSUANT TO PART 1 OF THIS ARTICLE.

23 (b) ANY VENDOR MAY ELECT TO BE A PARTICIPATING VENDOR FOR

1 ANY YEAR THAT THE EXEMPTION APPLIES. A VENDOR WHO IS NOT A
2 PARTICIPATING VENDOR IS REQUIRED TO COLLECT THE TAX LEVIED
3 PURSUANT TO PART 1 OF THIS ARTICLE ON THE SALE OF A FIREARM,
4 AMMUNITION, OR FIREARM ACCESSORY.

5 (4) THE STORAGE, USE, OR CONSUMPTION OF A FIREARM,
6 AMMUNITION, OR FIREARM ACCESSORY THAT IS EXEMPT AT THE TIME OF
7 PURCHASE FROM THE SALES TAX PURSUANT TO SUBSECTION (3) OF THIS
8 SECTION IS EXEMPT FROM THE USE TAX LEVIED PURSUANT TO PART 2 OF
9 THIS ARTICLE.

10 **SECTION 2.** In Colorado Revised Statutes, 29-2-105, **amend** (1)
11 (d) (I) (K) and (1) (d) (I) (L); and **add** (1) (d) (I) (M) as follows:

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

19 (d) (I) A provision that the sale of tangible personal property and
20 services taxable pursuant to this article shall be the same as the sale of
21 tangible personal property and services taxable pursuant to section
22 39-26-104, C.R.S., except as otherwise provided in this paragraph (d).
23 The sale of tangible personal property and services taxable pursuant to
24 this article shall be subject to the same sales tax exemptions as those
25 specified in part 7 of article 26 of title 39, C.R.S.; except that the sale of
26 the following may be exempted from a town, city, or county sales tax only
27 by the express inclusion of the exemption either at the time of adoption

1 of the initial sales tax ordinance or resolution or by amendment thereto:

2 (K) The exemption for sales that benefit a Colorado school
3 specified in section 39-26-725, C.R.S.; and

4 (L) The exemption for sales by an association or organization of
5 parents and teachers of public school students that is a charitable
6 organization as specified in section 39-26-718 (1) (c), C.R.S.; AND

7 (M) THE EXEMPTION FOR FIREARMS, AMMUNITION, AND FIREARM
8 ACCESSORIES SPECIFIED IN SECTION 39-26-727, C.R.S., FOR THE SAME
9 PERIODS THAT THE STATE EXEMPTION IS AVAILABLE.

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