



Tax & Finance Steering Committee Thursday, January 27, 2022

Agenda as of 1/26/2022

Welcome/Introductions

Chair: Commissioner Richard Elsner, Park County
 Vice Chair: Commissioner Bob Campbell, Teller County
 CCI Staff: Gini Pingnot (gpingenot@ccionline.org | M: 720-255-8941)

Leadership Elections

Below are those that have submitted a letter of intent; nominations will also be accepted from the floor

- Chair
 - Richard Elsner, Park County ([view letter](#))
- Vice Chair
 - Bob Campbell, Teller County ([view letter](#))

New Legislation for Discussion (6 Bills)

HB22-1006 , Child Care Center Property Tax Exemption	
H-Spon	K. Van Winkle & D. Roberts
S-Spon	K. Donovan & J. Smallwood
Summary	Under the state constitution, property that is used solely and exclusively for charitable purposes is exempt from property tax, unless otherwise provided by general law. Under this constitutional authority, there is currently an exemption for property used as an integral part of a child care center. Section 2 of the bill modifies this exemption by repealing the requirement that the property must be owned for strictly charitable purposes and not for private gain or corporate profit, and that the property must be irrevocably dedicated to a charitable purpose. These changes allow property that is used by a tenant or subtenant to operate a child care center to be eligible for the exemption, and the bill specifies that in such case, only the operator's use is to be considered for purposes of determining whether the property is eligible for the exemption. Section 3 requires such an operator, or the operator's authorized agent, to sign the exemption application form and to provide the property tax administrator with any requested information related to the exemption. Sections 4 and 5 make conforming amendments.
Status	Public & Behavioral Health & Human Services Committee Hearing on Tuesday 2/1/2022
Position	Pending (CCI Priority Bill)

<u>HB22-1051, Mod Affordable Housing Tax Credit</u>	
H-Spon	H. McKean & S. Bird
S-Spon	R. Zenzinger & D. Hisey
Summary	The Colorado housing and finance authority (CHFA), under the Colorado affordable tax credit program, may allocate income tax credits in an annual aggregate amount of up to \$10 million for the years beginning on January 1, 2020, and ending on December 31, 2024. The bill extends this period to December 31, 2034, and increases the annual aggregate cap for the years beginning on January 1, 2023, and ending on December 31, 2034, to \$15 million.
Status	Transportation & Local Government Committee Hearing Wednesday 2/2/2022
Position	Pending

Sales Tax:

<u>HB22-1062, Expand Sales & Use Tax Exemption for Food</u>	
H-Spon	H. McKean
S-Spon	D. Hisey
Summary	The bill expands the state sales and use tax exemption for food, which currently exempts most food for domestic home consumption, by also exempting from state sales and use tax most food that is not for domestic home consumption and is instead prepared for on-site consumption at a restaurant, grocery store, or other establishment or to be carried out and consumed without additional cooking or preparation.
Status	Introduced In House - Assigned to Finance
Position	Pending

<u>HB22-1109, On-demand Air Carrier Aircraft Sales Tax Exemption</u>	
H-Spon	S. Bird & D. Woog
S-Spon	L. Liston & C. Kolker
Summary	<p>For 7 years beginning on January 1, 2023, the bill creates a sales and use tax exemption for the sale, storage, use, or consumption of an aircraft used or purchased for use in interstate or intrastate commerce by an on-demand air carrier. An on-demand air carrier is an entity authorized by the federal aviation administration to operate an aircraft to transport people or property in compliance with the administration's certification and operations requirements.</p> <p>The aeronautics division in the department of transportation is required to provide the state auditor with any available information that would assist the state auditor's measurement of the effectiveness of the exemption.</p> <p>The bill specifies that a statutory town, city, or county may exempt the same items only by express inclusion of the exemption in its initial sales tax ordinance or resolution or by amendment thereto and also that the exemptions do not apply to the tax imposed by a special district or other limited purpose governmental entity.</p>
Status	Introduced In House - Assigned to Business Affairs & Labor
Position	Pending

<u>HB22-1117, Use Of Local Lodging Tax Revenue</u>	
H-Spon	M. Catlin & D. Roberts
S-Spon	D. Coram & K. Donovan
Summary	<p>Section 1 of the bill amends the authority of a local marketing district (district) to allow it to use the proceeds of its marketing and promotion tax levied on rooms or accommodations (marketing and promotion tax) for activities related to workforce recruitment, management, and development and for facilitating and enhancing visitor experiences. It also allows a district to make capital expenditures related to these purposes, as well as for business recruitment, management, and development.</p> <p>If a district's allowable uses of the marketing and promotion tax revenue approved by voters prior to January 1, 2022, do not include an additional use, then under section 2 , the district will require subsequent voter approval to use the marketing and promotion tax revenue for that purpose.</p> <p>Counties are currently authorized, with prior voter approval, to levy a county lodging tax for the purpose of advertising and marketing local tourism. Section 3 expands the lodging tax to allow the revenue to also be used for:</p> <ul style="list-style-type: none"> • Economic development; • Workforce recruitment, management, and development; or • Facilitating and enhancing visitor experiences. <p>If a county already has a lodging tax that is limited to advertising and marketing local tourism, then the county must obtain voter approval to begin using the lodging tax revenues for any or all of these additional purposes.</p> <p>Beginning January 1, 2023, section 3 also requires any person or entity collecting the county lodging tax to remit the tax revenue to the department of revenue with the same filing frequency as the person or entity remits and files sales tax, instead of quarterly.</p>
Status	Introduced In House - Assigned to Finance
Position	Pending (CCI Priority Legislation)

<u>SB22-051, Policies to Reduce Emissions from Built Environment</u>	
H-Spon	
S-Spon	C. Hansen
Summary	<p>The bill specifies that air-source and ground-source heat pump systems are household furnishings exempt from the levy and collection of property tax. The bill exempts air-source and ground-source heat pump systems from the definition of fixtures for property tax purposes.</p> <p>Beginning July 1, 2024, the bill exempts from state sales and use tax all sales, storage, and use of eligible decarbonizing building materials. Eligible decarbonizing building materials are defined as building materials that have a maximum acceptable global warming potential as determined by the office of the state architect.</p> <p>In addition, beginning January 1, 2023, the bill exempts from state sales and use tax all sales, storage, and use of air-source and ground-source heat pump systems that are used in commercial or residential buildings.</p> <p>The bill specifies that a statutory town, city, or county may exempt the same items only by express inclusion of the exemption in its initial sales tax ordinance or resolution or by amendment thereto.</p>

Status	Introduced In Senate - Assigned to Transportation & Energy
Position	Pending

Other Business (added 1/26/2022)

- Realtors Association draft legislation on Short Term Rentals (not introduced as of 1/26/2022).
 - [View bill draft here](#)
 - Allows owners of primary & secondary homes to receive the residential assessment rate (currently 6.95%).
 - Owners with more than 2 residential properties would pay the 29% commercial rate

Adjourn

In Case You Missed It...

Save the Date: Third Stakeholder Meeting on Short Term Rental Policies

Friday, February 4, 1:00-3:00pm

View past meeting & other materials [here](#)

Join Zoom Meeting

<https://us02web.zoom.us/j/86064406597?pwd=TTNrYnpvVXVrMGE4bE5WZTljNkROUT09>

Meeting ID: 860 6440 6597

Passcode: 689204

One tap mobile

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