

CCI

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TAXATION and FINANCE

Thursday, January 19, 2012

12:30 p.m., CCI Office

Teleconference: 1.218.862.1300 Passcode: 171009
(Please be advised this meeting is being recorded)

AGENDA

WELCOME

Commissioner Ken Parsons, Chair
Commissioner, Steve Johnson Vice Chair
Bill Clayton, CCI
Gini Pingnot, CCI

INTRODUCTIONS

LEGISLATION

Bill #	Short Title	H-Sponsor	S-Sponsor	Bill Summary	Position
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BUSINESS PERSONAL PROPERTY

HB12-1029	Economic Stimulus Personal Property Tax Exemption	C. Holbert	M. Scheffel	BPP - The bill exempts business personal property that is purchased at any time during the 2013 calendar year from the levy and collection of property tax.	
SB12-052	Local & Statewide Assessed Prop Tax Exemption	K. Priola	M. Scheffel	BPP – Increases the maximum business personal property tax exemption from \$7,000 to \$14,000 beginning in property tax year 2013. For a period of 10 years, the bill also exempts a portion of the business personal property of a state-assessed public utility through the creation of a valuation cap. The value of property above the cap is deemed to be attributable to business personal property, unless the property tax administrator determines otherwise.	

ENERGY IMPACT FUNDING

SB12-063	Sev Tax Revenues For Rural Insts Of Higher Ed		G. Brophy	Energy Impact Funding - The bill establishes a \$100 million cap, as adjusted annually for inflation, on the current allocation of severance tax revenue. Any revenue received above the \$100 million cap, as adjusted annually for inflation, is first made available to any political subdivisions socially or economically impacted by the development, processing, or energy conversion of minerals and mineral fuels subject to taxation, but only for a serious need. Such political subdivision must make a grant request at a joint committee hearing of the house local government committee and the senate local government and energy committee, or any successor committees. Whatever moneys remain after the joint committee awards grants to those particular political subdivisions is to be transferred to the rural higher education cash fund and annually appropriated to rural	
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Bill #	Short Title	H-Sponsor	S-Sponsor	Bill Summary	Position
				institutions of higher education on a proportionate basis. The bill requires that each rural institution of higher education set aside at least 50% of each annual appropriation in a separate trust account in order to build an endowment fund to be used by the rural institution of higher education.	

SALES TAX

HB12-1037	Classify Certain Ag Products Wholesale Sales	J. Becker		<p>Sales Tax - The bill classifies the sales of certain agricultural items as wholesale sales rather than retail sales. The effect of such a classification is that the following sales will not be subject to sales tax:</p> <ul style="list-style-type: none"> • Sales of agricultural compounds to be consumed by, administered to, or otherwise used in caring for livestock; • Sales of semen for agricultural or ranching purposes; and • Sales of pesticides that are registered by the commissioner of agriculture for use in the production of agricultural and livestock products. 	
HB12-1045	Spruce Beetle Kill Wood Products Tax Exemption	L. Bradford	S. King	<p>Sales Tax - The bill specifies that the current sales tax exemption on wood products includes trees killed or infested in Colorado by the spruce beetle (not just pine beetle) and extends the expiration of the exemption to July 1, 2020 (now: July 1, 2013)</p>	
HB12-1069	Sales & Use Tax Holiday For Back-to-school Items	D. Pabon	J. Miklosi	<p>Sales Tax - Section 1 of the bill creates a state sales and use tax exemption for back-to-school items. The exemption only applies for 3 days in the beginning of August for a period of 5 years beginning in 2012. A "back-to-school item" is defined to mean clothing, shoes, school supplies, or computers. Clothing includes sports and recreational equipment, but does not include clothing accessories. The exemption applies to all noncommercial purchasers. Section 2 of the bill permits a town, city, or county to create a sales tax exemption that is identical to the state exemption.</p>	

TREASURER

HB12-1005	Legal Investments For Public Funds	D. Pabon	T. Harvey	<p>Treasurer - The bill clarifies that it is legal to invest public funds in any nonsubordinated corporate or bank security that: Is denominated in United States dollars; Matures within 3 years from the date of settlement; At the time of purchase carries at least 2 credit ratings from any of the nationally recognized statistical rating organizations; and Is not rated below "A1, P1, or F1" or their equivalents by either rating if the security is a money market instrument such as commercial paper or bankers' acceptance or is not rated below "AA- or Aa3" or their equivalents by either rating if the security is any other kind of security. The bill also prohibits the investment of public funds in a subordinated security issued by or guaranteed by one of several specified federally created and controlled entities.</p>	
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MISC.

SB12-021	Financial Literacy Program For County Residents	P. Lee	J. Nicholson	<p>MISC - The bill creates a pilot program administered by the department of local affairs to distribute grants to counties to teach financial literacy classes to county residents (pilot program). A county may apply to the division to participate in the pilot program.</p>	
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OTHER BUSINESS

Gallagher Amendment Interim Committee

CCI Federal Issues Survey

ADJOURN