

**Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

REREVISED

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

LLS NO. 26-0534.01 Jery Payne x2157

HOUSE BILL 26-1200

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A BILL FOR AN ACT

101 **CONCERNING REQUIRED PAYMENTS UPON REGISTRATION OF A**
102 **VEHICLE FOR A MEMBER OF THE UNITED STATES ARMED FORCES**
103 **SERVING OUTSIDE THE STATE.**

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://leg.colorado.gov>.)

Current law exempts the owner of a motor vehicle who is a member of the United States armed forces (member) from motor vehicle registration fees and sets the specific ownership tax at \$1 while the member is serving outside the United States. This applies to personal motor vehicles and intrastate trucks, truck tractors, trailers, and

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

SENATE
3rd Reading Unamended
March 30, 2026

SENATE
2nd Reading Unamended
March 27, 2026

HOUSE
3rd Reading Unamended
March 12, 2026

HOUSE
Amended 2nd Reading
March 11, 2026

semitrailers used to transport property. To qualify, the member must show the military order or evidence acceptable to the department of revenue (department) demonstrating that the member served outside the United States and sign an affidavit that the motor vehicle will not be driven while the tax rate applies. **Section 1** of the bill repeals the requirement that the member sign the affidavit to pay the \$1 specific ownership fee. **Section 3** repeals the requirement that the member sign the affidavit to be exempt from the motor vehicle fee.

Current law exempts members from paying late fees for failing to renew a registration for a vehicle if the member was serving outside the state when the registration period expired. **Section 2** sets the requirement to qualify for a late fee exception by requiring the member to show the military order or evidence acceptable to the department demonstrating that the member served outside of the United States.

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

2 **SECTION 1.** In Colorado Revised Statutes, 42-3-107, **amend**
3 (8)(b)(II) introductory portion, (8)(b)(II)(A), (10)(b)(II) introductory
4 portion, and (10)(b)(II)(A); **repeal** (8)(b)(II)(B) and (10)(b)(II)(B); and
5 **add** (8)(b)(V) and (10)(b)(V) as follows:

6 **42-3-107. Taxable value of classes of property - rate of tax -**
7 **when and where payable - department duties - apportionment of tax**
8 **collections - definitions - rules - repeal.**

9 (8) (b) (II) In order to qualify for the tax rate imposed by this
10 ~~paragraph (b)~~ SUBSECTION (8)(b), the owner must:

11 (A) Show the department military orders to serve outside the
12 United States or any evidence acceptable to the department that the owner
13 served outside the United States. ~~and~~

14 ~~(B) File a signed affidavit that the motor vehicle will not be~~
15 ~~operated on a highway when the tax rate applies.~~

16 (V) THE OWNER NEED NOT SIGN AN AFFIDAVIT TO QUALIFY FOR
17 THE TAX RATE IMPOSED BY THIS SUBSECTION (8)(b). **THE DEPARTMENT**

1 SHALL NOTIFY THE OWNER THAT THE MOTOR VEHICLE MUST NOT BE
2 OPERATED ON THE ROADWAYS WHEN THE REDUCED TAX RATE APPLIES.

3 (10) (b) (II) In order to qualify for the tax rate imposed by this
4 ~~paragraph (b)~~ SUBSECTION (10)(b), the owner must:

5 (A) Show the department military orders to serve outside the
6 United States or any evidence acceptable to the department that the owner
7 served outside the United States. ~~and~~

8 (B) ~~File a signed affidavit that the motor vehicle will not be~~
9 ~~operated on a highway when the tax rate applies.~~

10 (V) THE OWNER NEED NOT SIGN AN AFFIDAVIT TO QUALIFY FOR
11 THE TAX RATE IMPOSED BY THIS SUBSECTION (10)(b). THE DEPARTMENT
12 SHALL NOTIFY THE OWNER THAT THE MOTOR VEHICLE MUST NOT BE
13 OPERATED ON THE ROADWAYS WHEN THE REDUCED TAX RATE APPLIES.

14 **SECTION 2.** In Colorado Revised Statutes, 42-3-112, **amend**
15 (3)(b) as follows:

16 **42-3-112. Failure to pay tax - penalty - rules.**

17 (3) The late fee described in subsection (1) of this section shall not
18 be imposed on a vehicle subject to taxation under this ~~article~~ ARTICLE 3
19 if:

20 (b) (I) The ~~person~~ INDIVIDUAL who owns the vehicle is in the
21 active military service of the United States and is serving outside the state
22 when a registration period and grace period for renewal of registration for
23 the vehicle end and the vehicle is not operated on any public highway of
24 the state between the time the registration period and grace period end
25 and the time the vehicle is reregistered.

26 (II) IN ORDER TO QUALIFY UNDER THIS SUBSECTION (3)(b) FOR
27 EXEMPTION FROM PAYMENT OF THE LATE FEE DESCRIBED IN SUBSECTION

1 (1) OF THIS SECTION, THE OWNER OF THE VEHICLE MUST SHOW THE
2 DEPARTMENT MILITARY ORDERS TO SERVE OUTSIDE THE STATE OR ANY
3 EVIDENCE ACCEPTABLE TO THE DEPARTMENT THAT THE OWNER SERVED
4 OUTSIDE THE STATE. THE OWNER NEED NOT SIGN AN AFFIDAVIT TO
5 QUALIFY UNDER THIS SUBSECTION (3)(b) FOR EXEMPTION FROM PAYMENT
6 OF THE LATE FEE DESCRIBED IN SUBSECTION (1) OF THIS SECTION. THE
7 DEPARTMENT SHALL NOTIFY THE OWNER THAT THE VEHICLE MUST NOT
8 HAVE BEEN USED ON THE ROADWAYS WHEN THE EXEMPTION APPLIES.

9 (III) Nothing in this ~~paragraph (b)~~ SUBSECTION (3)(b) shall be
10 construed to exempt the owner of such a vehicle from paying any fees
11 imposed pursuant to this ~~article~~ ARTICLE 3 other than the late fee before
12 again operating the vehicle on a public highway in this state or from
13 paying any taxes imposed pursuant to this ~~article~~ ARTICLE 3.

14 **SECTION 3.** In Colorado Revised Statutes, 42-3-314, **amend**
15 (2)(a) and (4); and **repeal** (2)(b) as follows:

16 **42-3-314. Military deployment.**

17 (2) **Qualifications.** In order for a motor vehicle to qualify for the
18 exemption from registration fees under this section, the owner must:

19 (a) Show the department military orders to serve outside the
20 United States or any evidence acceptable to the department that the owner
21 served outside the United States. ~~and~~

22 (b) ~~File a signed affidavit that the motor vehicle will not be~~
23 ~~operated on a highway during the exemption period.~~

24 (4) **Violations.** A person shall not operate the motor vehicle
25 during the time ~~covered by the affidavit filed~~ THE MOTOR VEHICLE IS
26 EXEMPT FROM PAYING FEES under subsection (2) of this section. A
27 violation of this section is a class B traffic infraction.

1 **SECTION 4. Act subject to petition - effective date -**
2 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
3 the expiration of the ninety-day period after final adjournment of the
4 general assembly (August 12, 2026, if adjournment sine die is on May 13,
5 2026); except that, if a referendum petition is filed pursuant to section 1
6 (3) of article V of the state constitution against this act or an item, section,
7 or part of this act within such period, then the act, item, section, or part
8 will not take effect unless approved by the people at the general election
9 to be held in November 2026 and, in such case, will take effect on the
10 date of the official declaration of the vote thereon by the governor.
11 (2) This act applies to taxes and fees due on or after the applicable
12 effective date of this act.