

DEPARTMENT OF REVENUE

Taxpayer Service Division – Tax Group

ENTERPRISE ZONE REGULATIONS

1 CCR 201-13

Regulation 39-30-106. [Repealed eff. 05/15/2019]

Rule 39-30-106. Enterprise Zone Machinery and Machine Tools Sales Tax Exemption.

Basis and Purpose. The statutory bases for this rule are sections 39-21-112(1), 39-30-106, and 39-30-108(1), C.R.S. The purpose of this rule is to clarify the expansion of the definition of “manufacturing” for machinery and machine tools used exclusively in an enterprise zone to include only those activities related directly to the extraction of natural resources, including oil and gas.

(1) For the purpose of the sales tax exemption for machinery and machine tools used exclusively in an enterprise zone, section 39-30-106(1)(b), C.R.S. expands the definition of “manufacturing,” to include “refining, blasting, exploring, mining and mined land reclamation, quarrying for, processing and beneficiation, or otherwise extracting from the earth or from waste or stockpiles or from pits or banks any natural resource.” This expanded definition encompasses only those activities that are directly related to the extraction of natural resources, including the production of oil and gas.

Cross References

1. See 1991 Colo. Sess. Laws, ch. 334, sec. 1 for the legislative declaration regarding the expanded definition of “manufacturing” for the purpose of the sales tax exemption for machinery and machine tools used solely and exclusively in an enterprise zone.