



COLORADO
Department of Revenue

Taxation Division

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**Colorado Department of Revenue
Statement of Emergency Justification and Adoption
Emergency Rule 39-21-112(3.5)**

Pursuant to sections 24-4-103(6), 39-21-112(1) and (3.5), and 24-71.3-101, et seq. C.R.S., I, Michael S. Hartman, Executive Director of the Department of Revenue, hereby adopt emergency Rule 39-21-112(3.5).

Section 24-4-103(6), C.R.S., authorizes the Executive Director to adopt a temporary or emergency rule if the Executive Director finds that the immediate adoption of the rule is imperatively necessary to comply with a state law or for the preservation of public health, safety, or welfare and that compliance with the requirements of section 24-4-103, C.R.S. regarding promulgation of a permanent regulation would be contrary to the public interest.

I find that the immediate adoption of this rule is necessary to provide guidance to retailers that do not collect Colorado sales or use tax and are subject to the notice and reporting requirements of section 39-21-112(3.5), C.R.S. The Department adopted Emergency Rule 39-21-112(3.5) on June 30, 2017 to clarify these requirements and began enforcement thereof on July 1, 2017. Permanent rulemaking proceedings are underway, but have not yet been completed and the existing emergency rule is set to expire October 28, 2017. Thus, an emergency rule is necessary to continue the guidance and clarification the existing rule provides pending promulgation of a permanent rule. I, therefore, find that the emergency adoption of this amended rule is necessary to comply with state law. Finally, I find that compliance with the requirements of section 24-4-103, C.R.S., would be contrary to the public interest under the circumstances.

Statutory Authority

The statutory authority for this amendment to the existing rule for section 39-21-112(3.5), C.R.S., is cited above.

Purpose

To prescribe how retailers that do not collect Colorado sales or use tax should comply with the notice and reporting requirements of section 39-21-112(3.5).

Adoption

For the reasons set forth above, I hereby adopt emergency rule 39-21-112(3.5), which is attached to this Statement and shall be effective on the date of its adoption and shall apply prospectively. This emergency rule shall be in force and effect for a period of one hundred and twenty days from the date of this notice, unless sooner terminated or replaced by permanent rules adopted in accordance with section 24-4-103, C.R.S.

Adopted this 23rd day of October, 2017.



Michael S. Hartman
Executive Director
Colorado Department of Revenue