

**TOWN OF ARRIBA, COLORADO
ORDINANCE NO. 142**

AN ORDINANCE OF THE BOARD OF TRUSTEES FOR THE TOWN OF ARRIBA, COLORADO, ESTABLISHING, UPON VOTER APPROVAL THEREOF, A TWO PERCENT (2%) SALES TAX ON THE RETAIL PRICE PAID FOR TAXABLE GOODS AND SERVICES, THE PROCEEDS OF WHICH SHALL BE USED TO PAY FOR TOWN CAPITAL INVESTMENTS

WHEREAS, the Town currently does not impose or collect a sales tax on retail sales occurring within the Town;

WHEREAS, nearly all of the property taxes paid by Arriba residents goes to the separate government entities of Lincoln County and the State of Colorado;

WHEREAS, the Town would benefit from its own tax revenue source, which would allow the Town to make capital investments in Town it could not otherwise afford;

WHEREAS, the voters of the Town will be asked to approve the imposition of a new two percent (2 %) sales tax at the Town's next regular election to be held on April 3, 2018;

WHEREAS, if approved by voters, the Town's sales tax will be effective on January 1, 2019;
and

WHEREAS, if approved by voters, the Town will notify the Colorado Department of Revenue of this new tax with at least forty-five days prior to its effective date as required by C.R.S. 29-2-106(2).

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF ARRIBA, COLORADO, THAT:

Section 1. Purpose. The purpose of this Ordinance is to impose a sales tax on the sale of tangible personal property or the furnishing of services upon every retailer in the Town as authorized by Part 1 of Article 2, Title 29, C.R.S. Revenue generated by this sales tax shall be spent only on capital investments.

Section 2. Definitions. For the purpose of this Ordinance, the definitions of words herein contained shall be as defined in Section 39-26-102, C.R.S., and said definitions are incorporated herein by this reference. In addition, as used herein, "capital investments" means the maintenance, replacement and acquisition of property, goods or equipment needed to perform Town functions.

Section 3. Licenses. Except as specifically allowed herein, it shall be unlawful for any person to engage in the business of selling tangible personal property at retail or to furnish certain services as herein specified, without first having obtained a license therefor. Such license shall be granted and issued by the Town Clerk and shall be in force and effect until December 31 of the year in which it is issued, unless sooner revoked.

(a) Such license shall be granted or renewed only upon application, on a form provided by the Town, stating the name and address of the person desiring such a license, the name and location of such business and such other facts as the Town Clerk may require.

(b) It shall be the duty of each licensee on or before January 1 of each year to obtain a renewal thereof if the licensee remains in the retail business or liable to account for the tax herein provided, but nothing herein contained shall be construed to empower the Town Clerk to refuse such renewal except upon revocation for cause of the licensee's prior license.

(c) In case business is transacted at two (2) or more separate premises by one (1) person, a separate license for each place of business shall be required.

(d) Each license shall be numbered and shall show the name, residence, place and character or business of the licensee and shall be posted in a conspicuous place in the place of business for which it is issued. No license shall be transferable.

(e) No license shall be required for any person engaged exclusively in the business of selling commodities or providing services which are exempt from taxation under this Ordinance.

(f) The annual fee for such license or renewal shall be a fee set by Resolution of the Board of Trustees, which fee shall accompany the application for license or renewal.

(g) Any license may be revoked for cause as provided in Section 39-26-103, C.R.S., which provision is incorporated herein by this reference.

Section 4. General Provisions. For the purpose of this Ordinance, all retail sales shall be considered consummated at the place of business of the retailer, unless the tangible personal property sold is delivered by the retailer or his or her agent to a destination outside the limits of the Town or to a common carrier for delivery outside the limits of the Town.

(a) The gross receipts from sales include delivery charges when such charges are subject to the state sales and use tax imposed by Article 26 of Title 39, C.R.S., regardless of the place to which the delivery is made.

(b) In the event a retailer has no permanent place of business or more than one (1) place of business in the Town, the place at which the retail sales are consummated for the purpose of this sales tax is to be determined by the provisions of Article 26, Title 39, C.R.S., and by rules and regulations promulgated by the State Department of Revenue.

(c) The amount subject to tax under this Ordinance is not to include the state sales and use tax imposed by Article 26, Chapter 39, C.R.S.

(d) The tangible personal property and services taxable pursuant to this Ordinance are the same as the tangible personal property and services taxable pursuant to Section 39-26-104, C.R.S., and are subject to the same exemptions as those specified in Part 7 of Article 26 of Title 39, C.R.S.

(f) All sales of personal property on which a specific ownership tax has been paid or is payable are exempt from the Town sales tax when such sales meet both of the following conditions:

(1) The purchaser is a nonresident of or has his or her principal place of business outside the Town; and

(2) Such personal property is registered or required to be registered outside the limits of the Town under state law.

Section 5. Collection. The collection, administration and enforcement of the Town sales tax shall be performed by the Executive Director of the State Department of Revenue in the same manner as the collection, administration and enforcement of the state sales tax. The provisions of Article 26, Title 39, C.R.S., shall govern the collection, administration and enforcement of sales taxes authorized under this Ordinance, unless otherwise provided in said Article 26.

Section 6. Imposition; tax rate. There is hereby imposed on all sales of tangible personal property at retail or the furnishing of services as provided in Section 29-26-104, *et seq.* C.R.S., a tax equal to two percent (2%) upon the sale at retail. The imposition of the tax upon individual sales shall be in accordance with schedules set forth in the rules and regulations promulgated by the Department of Revenue or by separate ordinance of the Town. The imposition of the tax on individual sales and services shall also be in accordance with schedules set forth and the rules and regulations promulgated by the Department of Revenue or by any other ordinance of the Town.

Section 7. Vendor's fee. The vendor (retailer) shall be entitled, as collection agent for the Town, to withhold a collection fee in the amount of three and one-third percent (3-1/3%) from the total amount remitted by the vendor to the Town each month. If any vendor is delinquent in remitting said tax, other than in unusual circumstances shown to the satisfaction of the Executive Director of the State Department of Revenue, the vendor shall not be allowed to retain any amounts to cover his or her expense in collecting and remitting said tax, and an

amount equivalent to the full three and one-third percent (3-1/3%) sales tax shall be remitted to the executive Director by any such delinquent vendor.

Section 8. Safety Clause. The Town Board of Trustees hereby finds, determines, and declares that this ordinance is promulgated under the general police power of the Town of Arriba, that it is promulgated for the health, safety, and welfare of the public, and that this ordinance is necessary for the preservation of health and safety and for the protection of public convenience and welfare. The Board of Trustees further determines that the ordinance bears a rational relation to the proper legislative object sought to be attained.

Section 9. Severability. If any clause, sentence, paragraph, or part of this ordinance or the application thereof to any person or circumstances shall for any reason be adjudged by a court of competent jurisdiction invalid, such judgment shall not affect application to other persons or circumstances.

Section 10. Effective Date. This ordinance shall be published in full after adoption and, upon voter approval of the Town sales tax at the April 3, 2018 Town regular election, shall become effective on January 1, 2019.

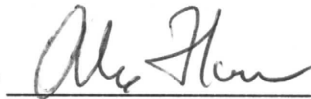
INTRODUCED, READ IN FULL AND ADOPTED this 11th day of December, 2017.

PASSED by a vote of 5 for and 0 against AND ORDERED PUBLISHED ONCE IN FULL this 11th day of December, 2017.

TOWN OF ARRIBA

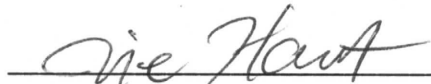
(Seal)

By



Alex Flores, Mayor

ATTEST:



Josie Hart, Town Clerk