

ORDINANCE NO. 6  
Series 2018

AN ORDINANCE OF THE TOWN OF PITKIN, COLORADO, TO ENACT A SALES TAX INCREASE IN THE TOWN OF PITKIN, COLORADO FOR THE PURPOSE OF PROVIDING FOR ROADS AND STREETS AND THE GENERAL HEALTH, SAFETY AND WELFARE OF THE TOWN OF PITKIN, COLORADO.

**Recitals**

1. Whereas, the Town of Pitkin, Colorado ("Town") has determined that it requires additional revenue to provide for the Street Fund and the general health, safety and welfare of the Town of Pitkin, Colorado; and
2. Whereas, article 2 of title 29, C.R.S., authorizes the Town to adopt a tax on sales of tangible personal property at retail and services, subject to the approval of the Town's registered electors; and
3. Whereas, C.R.S. 29-2-105 (c) states that the amount subject to tax shall not include the amount of any sales or use tax imposed by article 26 of title 39, C.R.S.; and
4. Whereas, the Town finds that it is in the best interests of its citizens that certain sales not be subject to sales tax; and
5. Whereas, the Town finds that the revenue from a sales tax would significantly assist the Town in providing for the Street Fund and the general health, safety and welfare of the Town of Pitkin, Colorado; and
6. Whereas, pursuant to Section 29-2-102(2), C.R.S., the Town has determined that no county in which any part of the Town sits has adopted a resolution for a countywide sales tax on which the registered electors of those counties have yet to vote; and
7. Whereas, the Town has determined that there is not a regular Town election scheduled to occur within 90 days after the date of the adoption of this Ordinance; and
8. Whereas, the Town intends that its enactment of a sales tax as set forth herein shall comply and be interpreted to comply with the requirements of section 20, article X of the Constitution of the State of Colorado; article 2, title 29, C.R.S.; article 10, title 31, C.R.S.; and all other applicable provisions of law.

**Now therefore be it ordained by the Board of Trustees of the Town of Pitkin, Colorado:**

**Definitions**

**Section 1- Definitions.** All terms used in this ordinance shall have the same meaning as provided for in Section 39-26-102, C.R.S.

**Section 2 - Application of State Sales Tax.** Unless otherwise provided in this sales tax, any amendments thereto, or article 2, title 29, C.R.S., the provisions of article 26, title 39, C.R.S., shall govern the collection, administration, and enforcement of this sales tax.

### **Sales Tax Imposed**

**Section 3 - Imposition of Sales Tax.** There is hereby imposed and there shall be collected a tax on all sales of tangible personal property and services described in Section 4 and occurring within the Town. The tax is imposed as provided for in Section 29-2-105(1)(d), C.R.S. The sales tax shall be set at a rate of four and one half (4.5) per cent of the amount of each sale. The taxable amount of a sale shall not include the amount of any sales or use tax imposed by article 26, title 39, C.R.S.

**Section 4 - Property and Services Taxed.** The sales of tangible personal property and services taxable under this sales tax shall be the same as the sales of tangible personal property and services taxable pursuant to Section 39-26-104, C.R.S., subject to the exemptions set forth below.

**Section 5 - Place of Sale; Delivery; Charges; Retailers Without a Permanent Place of Business in the Town.** For the purpose of this sales tax, all retail sales are consummated at the retailer's place of business unless the tangible personal property sold is delivered by the retailer or his agent outside the Town's limits. The gross receipts from such sales shall include delivery charges when such charges are subject to the state sales and use tax imposed by article 26, title 39, C.R.S., regardless of the place to which delivery is made. If a retailer has no permanent place of business in the Town, the place at which the retail sales are consummated for the purpose of this sales tax shall be determined by the provisions of article 26, title 39, C.R.S., and by rules and regulations promulgated by the Colorado Department of Revenue.

### **Exemptions and Exclusions**

**Section 6 - General Sales Tax Exemptions.** Except as otherwise provided herein or in Section 29-2-105(1)(d), C.R.S., the sales of tangible personal property and services taxable under this ordinance shall be subject to the same exemptions as those specified in part 7, article 26, title 39, C.R.S.

**Section 7 - The Town of Pitkin does not exempt any sales from Town sales tax.**

**Section 8 - Food.** Notwithstanding any other provision of this sales tax regarding the taxation of food, this sales tax shall not apply to the following:

- a. Sales of food purchased with food stamps. For the purposes of this subsection (a), "food" has the same meaning as provided in 7 U.S.C. § 2012, as currently in effect and subsequently amended.
- b. Sales of food purchased with funds provided by the special supplemental food program for women, infants, and children, 42 U.S.C.

§ 1786. For the purposes of this subsection (b), "food" has the same meaning as provided in 42 U.S.C. § 1786, as currently in effect and subsequently amended.



**Section 9 - Cigarettes.** This sales tax shall not apply to sales of cigarettes.

**Section 10- Sales Subject to Prior Ownership Tax.** Sales of personal property on which a specific ownership tax has been paid or is payable are exempt from this sales tax when the sale meets both of the following conditions: (i) the purchaser is a nonresident of the Town or has his principal place of business outside the Town and (ii) the personal property sold is registered or required to be registered outside the Town's limits under the law of the State of Colorado.

**Section 11 - Sales Subject to Prior Payment of Sales or Use Tax.** This sales tax shall not apply to the sale of tangible personal property or services if the transaction was previously subjected to a sales or use tax lawfully imposed on the purchaser or user by another statutory or home rule city and county, city, or town equal to or in excess of that sought to be imposed by this sales tax. A credit shall be granted against this sales tax with respect to such transaction equal in amount to the lawfully imposed local sales or use tax previously paid by the purchaser or user to the previous statutory or home rule city and county, city, or town. The amount of the credit shall not exceed the sales tax imposed herein.

## **Election**

**Section 12 - Submission to Registered Electors.** This ordinance shall be submitted to a vote of the Town's registered electors on November 6, 2018, the regular state general election. The election shall be conducted in accordance with section 20, article X of the Constitution of the State of Colorado; article 2, title 29, C.R.S.; article 10, title 31, C.R.S.; and all other applicable provisions of law.

**Section 13 - Agreements with Related Counties.** The Town Clerk is authorized to execute and enter into such agreements or amendments to agreements on the Town's behalf with Gunnison County regarding the conduct of the election and the preparation and mailing of the notice required by Section 20, article X of the Constitution of Colorado.

**Section 14- Town Clerk as Election Official.** The Town Clerk shall serve as the Election Official for the conduct of the election on behalf of the Town of Pitkin, with the authority and direction to proceed with any action necessary or appropriate to effectuate the provisions of this ordinance and all constitutional and statutory provisions governing the conduct of the election.

**Section 15 - Ballot Title.** The ballot title for the sales tax question shall be in substantially the following form:

SHALL THE TOWN OF PITKIN'S SALES TAX BE INCREASED ANNUALLY BY ONE AND ONE HALF (1.5) PERCENT, OR APPROXIMATELY FIFTEEN THOUSAND (\$15,000) DOLLARS, FROM THE PREVIOUS RATE OF THREE (3) PERCENT, COMMENCING ON JANUARY 1, 2019, AND BY WHATEVER ADDITIONAL AMOUNTS ARE RAISED ANNUALLY THEREAFTER FROM A FOUR AND ONE HALF (4.5) PERCENT SALES TAX WITH TWO AND ONE HALF PERCENT (2.5) EARMARKED FOR THE STREET FUND AND TWO PERCENT (2.0) EARMARKED FOR THE GENERAL FUND AND SHALL THE TOWN BE AUTHORIZED TO COLLECT, RETAIN, AND SPEND ALL REVENUE GENERATED BY SUCH TAX IN EXCESS OF THE LIMITATION PROVIDED



IN SECTION 20 OF ARTICLE X OF THE COLORADO CONSTITUTION AS A VOTER-APPROVED REVENUE?

YES

NO

**Enforcement**

**Section 16 - Delivery to Colorado Department of Revenue.** If approved by the registered electors, the Town clerk shall provide a copy of this ordinance and notice of its adoption and approval to the executive director of the Colorado Department of Revenue at least 45 days prior to the effective date of the sales tax created herein.

**Section 17- Colorado Department of Revenue to Enforce.** The collection, administration, and enforcement of this sales tax shall be performed by the executive director of the Colorado Department of Revenue in the same manner as the collection, administration, and enforcement of the Colorado state sales tax, as supplemented by article 2, title 29, C.R.S.

General Provisions

**Section 18 - Effective Date.** If approved by the registered electors, this sales tax shall become effective on January 1, 2019.

**Section 19 - Duration.** If approved by the Town's registered electors, this sales tax shall continue until repealed.

**Section 20 - Amendment.** This ordinance and the sales tax adopted herein may be amended by subsequent ordinance, unless otherwise prohibited by law.

**Section 21 - Severability.** If any portion of this ordinance or the sales tax adopted herein is declared to be void or ineffective by a court of competent jurisdiction, it shall be deemed severed from this ordinance. The remaining portions shall remain valid and in full force and effect.

**Section 22 -Authority Vested in Town Officials.** The Town's officials are authorized and directed to take all action necessary and appropriate to effectuate the provisions of this ordinance and the sales tax adopted herein.

**Section 23- References to Colorado Law.** References to Colorado law are to the versions of those laws in effect at the time this ordinance was adopted as well as any subsequent amendments thereto.

**Section 24 – Repeal and Replace.** This Ordinance will be submitted to the registered electors of the Town of Pitkin, Colorado, at a coordinated election with the County of Gunnison on

November 6, 2018 and to become effective, must receive the approval of the majority of qualified electors voting at said election. Provided it receives the majority vote of registered electors as above provided, this ordinance will hereby repeal and replace Ordinance 3, Series 1982, "AN ORDINANCE INCREASING FROM TWO TO THREE PER CENT, THE RATE OF SALES TAX FOR THE TOWN OF PITKIN, COLORADO."

INTRODUCED, READ, PASSED, AND ORDERED PUBLISHED THIS 3rd day of September, 2018.



(SEAL)

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Rachel New, Mayor

ATTEST: \_\_\_\_\_

Sara Gibb, Town Clerk