

## CHAPTER 4

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## **ARTICLE 1**

### **Fiscal Year**

#### **Sec. 4-1-10. Fiscal year established.**

The fiscal year of the Town shall commence on January 1 of each year and shall extend through December 31 of the same year. (Ord. 2007-07 §1)

## **ARTICLE 2**

### **General and Special Funds**

#### **Sec. 4-2-10. Custody and management of funds.**

Moneys in the funds created in this Chapter shall be in the custody of and managed by the Town Treasurer. The Town Treasurer shall maintain accounting records and account for all of said moneys as provided by law. Moneys in the funds of the Town shall be invested or deposited by the Town Treasurer in accordance with the provisions of law. All income from the assets of any fund shall become a part of the fund from which derived and shall be used for the purpose for which such fund was created; provided that, except as otherwise provided in this Code or by other ordinances or laws, the Board of Trustees may transfer out of any fund any amount at any time to be used for such purpose as the Board of Trustees may direct. (Ord. 2007-07 §1)

#### **Sec. 4-2-20. General Fund created.**

There is hereby created a fund, to be known as the General Fund, which shall consist of the following:

- (1) All cash balances of the Town not specifically belonging to any existing special fund of the Town.
- (2) All fixed assets of the Town (to be separately designated in an account known as the General Fund Fixed Assets) not specifically belonging to any existing special fund of the Town. (Ord. 2007-07 §1)

#### **Sec. 4-2-30. Capital Improvement Fund created.**

There is hereby created a special fund, to be known as the Capital Improvement Fund, and the funds therein shall be used only for the purposes allowed by law. (Ord. 2007-07 §1)

#### **Sec. 4-2-40. Conservation Trust Fund created.**

There is hereby created a special fund, to be known as the Conservation Trust Fund, and the funds therein shall be used only for the purposes allowed by law. (Ord. 2007-07 §1)

**Sec. 4-2-50. Waterworks Fund created.**

There is hereby created a special fund, to be know as the Waterworks Fund, and all fee (including impact fees and plant investment fees), rates, rents and charges for water shall be deposited and expended from such fund. No part of the fund may be transferred to any other fund or used for purposes other than operations and maintenance and the payment of bonds and interest on waterworks bonds. (Ord. 2007-07 §1)

**ARTICLE 3**

**Sales and Use Tax**

**Sec. 4-3-10. Purpose.**

The purpose of this Article is to impose a sales tax upon the sale at retail of tangible personal property in the Town pursuant to the authority granted to incorporated towns of the State by Article 2 of Title 29, C.R.S. This Article shall be so construed and interpreted as to effectuate the general purpose of making it uniform with the sales tax of the State levied by Article 26 of Title 39, C.R.S. (Ord. 80-1 §1)

**Sec. 4-3-20. Definitions.**

For the purpose of this Article, the definitions of words herein contained shall be as said words are defined in Section 39-26-102, C.R.S., and said definitions are incorporated herein by this reference. (Ord. 80-1 §2; Ord. 2001-12 §2; Ord. 2007-07 §1)

**Sec. 4-3-30. Property and services taxed.**

(a) There is hereby levied and there shall be collected and paid a sales tax in the amount as provided in this Article, upon the sale at retail of tangible personal property, on the sales of food, purchases of machinery or machine tools and the furnishing of certain services, as provided in Article 26 of Title 39, C.R.S., which provisions are incorporated herein by this reference.

(b) 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.

(c) The gross receipts from sales shall 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 delivery is made. (Ord. 80-1 §4; Ord. 2007-07 §1)

**Sec. 4-3-40. Exemptions.**

(a) There shall be exempt from taxation under the provisions of this Article all of the tangible personal property and services which are exempt under the provisions of Article 26, Title 39, C.R.S., which exemptions are incorporated herein by this reference, except the exemption allowed by Section 39-26-114(11), C.R.S., for purchases of machinery or machine tools, Section 39-26-114(1)(a)(XXI), C.R.S., and the exemption for sales of food specified in Section 39-26-114(1)(a)(XX), C.R.S.

(b) All sales of tangible personal property on which a specific ownership tax has been paid or is payable shall be exempt from 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 of, the Town; and

(2) Such tangible personal property is registered or required to be registered outside the limits of the Town under state law. (Ord. 80-1 §5)

**Sec. 4-3-50. Amount of tax and schedule.**

(a) There is hereby imposed upon all sales of tangible personal property and the furnishing of certain services, as specified in Section 4-3-40 above, a sales tax of three percent (3%) upon the sale at retail of tangible personal property and the furnishing of certain services as provided in Article 26 of Title 29, C.R.S., which provisions are incorporated herein by this reference.

(b) The imposition of the tax on the sale at retail of tangible personal property and the furnishing of certain services subject to this tax shall be in accordance with schedules set forth in the Rules and Regulations of the Colorado Department of Revenue and in accordance with the regulations which may be enacted by separate resolution or ordinance of the Board of Trustees. (Ord. 80-1 §6; Ord. 2001-12 §1; Ord. 2007-07 §1)

**Sec. 4-3-60. General provisions.**

(a) For the purposes of this Article, all retail sales are 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 to a destination outside the limits of the Town.

(b) In the event a retailer has no permanent place of business in the Town, or has more than one (1) place of business, the place or places at which the retail sales are consummated for the purpose of the sales tax imposed by this Article shall be determined by the provisions of Article 26 of Title 39, C.R.S., and by rules and regulations promulgated by the Colorado Department of Revenue. (Ord. 80-1 §7)

**Sec. 4-3-70. Collection, administration and enforcement.**

(a) The use tax on construction and building materials in the Town shall be collected by the Board of Trustees or its authorized administrative authority. Collection and administration of the use tax imposed by this Article shall be performed in substantially the same manner as the collection, administration and enforcement of the state use tax.

(b) The collection, administration and enforcement of the sales tax imposed by this Article shall be performed by the Town Treasurer in the same manner as the collection, administration and enforcement of the state sales tax. Accordingly, the provisions of Articles 26 and 21 of Title 39, and Article 2 of Title 29, C.R.S., and all rules and regulations promulgated by the Town Treasurer pertaining to such collection, administration and enforcement, are incorporated herein by this reference.

(c) The Town may promulgate rules and regulations as may be appropriate for the proper collection, administration and enforcement of the use tax herein imposed. No building permit shall be issued until all applicable use taxes on the construction and building materials have been paid in full.

(d) At the time of making his or her monthly tax return, as required by this Article, every retailer shall be entitled to subtract from the tax so remitted a sum equal to three and one-third percent (3⅓%) of said tax as his or her fee. The above fee is to be known as the vendor's fee.

(e) If the retailer is delinquent in remitting such tax, he or she shall forfeit the vendor's fee provided in Subsection (b) above, unless good cause is shown for such delinquent remittance. (Ord. 80-1 §8; Ord. 2007-07 §1)

**Sec. 4-3-80. Purpose of use tax.**

The purpose of the provisions of Sections 4-3-80 through 4-3-120 of this Article is to impose a use tax on building and construction materials which are purchased outside the Town for use, storage or consumption within the Town, as authorized by Part 1 of Article 2, Title 29, C.R.S., and the above definitions are incorporated herein by this reference. (Ord. 80-1 §9; Ord. 2007-07 §1)

**Sec. 4-3-90. Imposition.**

There is hereby imposed on the privilege of storing, using or consuming in the Town any construction or building materials purchased at retail, a use tax of three percent (3%) of the retail purchase price of said construction or building materials. Such tax shall be payable to and shall be collected by the Town Clerk. (Ord. 80-1 §10; Ord. 2001-12 §1)

**Sec. 4-3-100. Application.**

In no event shall the use tax imposed by this Article extend or apply:

(1) To the storage, use or consumption of any tangible personal property the sale of which is subject to a retail sales tax imposed by the Town.

(2) To the storage, use or consumption of any tangible personal property purchased for resale in the Town, either in its original form or as an ingredient of a manufactured or compounded product, in the regular course of a business.

(3) To the storage, use or consumption of tangible personal property brought into the Town by a nonresident thereof for his or her own storage, use or consumption while temporarily within the Town; however, this exemption does not apply to the storage, use or consumption of tangible personal property brought into the State by a nonresident to be used in the conduct of business in this State.

(4) To the storage, use or consumption of tangible personal property by the United States government, by the State or its institutions or political subdivisions, in their governmental capacities only, or by religious or charitable corporations in the conduct of their religious or charitable functions.

(5) To the storage, use or consumption of tangible personal property by a person engaged in the business of manufacturing or compounding for sale, profit or use any article, substance or commodity, which tangible personal property enters into the processing of or becomes an ingredient or component part of the product or service which is manufactured, compounded or furnished, and the container, label or the furnished shipping case thereof.

(6) To the storage, use or consumption of any article of tangible personal property the sale or use of which has already been subjected to a sales or use tax of another town, city or county equal to or in excess of that imposed by this Article. A credit shall be granted against the use tax imposed by this Article with respect to a person's storage, use or consumption within the Town of tangible personal property purchased by him or her elsewhere. The amount of the credit shall be equal to the tax paid by him or her by reason of the imposition of a sales or use tax of another town, city or county on his or her purchase or use of the property. The amount of the credit shall not exceed the use tax imposed by this Article.

(7) To the storage, use or consumption of tangible personal property and household effects acquired outside of the Town and brought into it by a nonresident acquiring residency.

(8) To the storage or use of a motor vehicle if the owner is or was at the time of purchase a nonresident of the Town, he or she purchased the vehicle outside of the Town for use outside of the Town and actually so used it for a substantial or primary purpose for which it was acquired, and he or she registered, titled and licensed said motor vehicle outside the Town.

(9) To the storage, use or consumption of any construction and building materials and motor vehicles and other vehicles for which registration is required if a written contract for the purchase thereof was entered into prior to the effective date of such use tax.

(10) To the storage, use or consumption of any construction and building materials required or made necessary in the performance of any construction contract bid, let or entered into at any time prior to the effective date of the use tax ordinance codified herein. (Ord. 80-1 §11; Ord. 85-1 §4; Ord. 2001-12 §3)

#### **Sec. 4-3-110. Payment.**

When any person applies for the issuance of a building permit, he or she shall furnish to the Town Clerk proof of the retail purchase price of the building and construction materials used, stored or consumed within the Town. Payment of any use tax due shall be a prerequisite to the issuance of the building permit. (Ord. 80-1 §12)

#### **Sec. 4-3-120. Amendments.**

The Board of Trustees, by a majority vote, may amend, alter or change this Article, except as to the rate of tax as herein imposed. (Ord. 80-1 §13; Ord. 2007-07 §1)

#### **Sec. 4-3-130. Credit for sales or use tax previously paid to another municipality.**

(a) The Town sales tax shall not apply to the sale of tangible personal property at retail or the furnishing of 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 municipality equal to or in excess of three percent (3%). A credit shall be granted against the Town 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 municipality. The amount of the credit shall not exceed three percent (3%).

(b) The Town use tax shall not apply to the storage, use or consumption of any article of tangible personal property the sale or use of which has already been subjected to a legally imposed sales or use tax of another statutory or home rule municipality equal to or in excess of three percent (3%). A credit shall be granted against the Town's use tax with respect to a person's storage, use or consumption in the Town of tangible personal property purchased by him or her in a previous statutory or home rule municipality. The amount of the credit shall be equal to the tax paid by him or her by reason of the imposition of the sales or use of the property. The amount of the credit shall not exceed three percent (3%). (Ord. 85-1 §§3, 4; Ord. 2001-12 §1; Ord. 2007-07 §1)

**Sec. 4-3-140. Use tax; alternative dispute resolution procedures; deficiency notice or claim for refund.**

For transactions consummated on or after January 1, 1986, the taxpayer may elect a state hearing on the Town's final decision on a deficiency notice or claim for refund within fifteen (15) days after the mailing of such final decision pursuant to the procedures set forth in Section 29-2-106.1, C.R.S. (Ord. 85-1 §5)