# CHAPTER 4   Revenue and Finance

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## ARTICLE I   Fiscal Year

[Sec. 4-1-10. Fiscal year established.](#BK_6E008AEAAB3D16C11402EA668D3E449C)

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. 53, 1954, §2; Ord. 1-98, 1998, §1)

## ARTICLE II   Funds Generally

[Sec. 4-2-10. Custody and management of funds.](#BK_379ABF0609E0D8E5F0EF9B29BAAAA851)

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 Article, by other ordinances or laws or by this Code, 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. 1-98, 1998, §1)

## ARTICLE III   General and Special Funds

[Sec. 4-3-10. General fund created.](#BK_3366886DBB1FC949ED7D80280C5F907F)

[Sec. 4-3-20. Conservation Trust Fund created.](#BK_E2F26DF6797EBA63B1176C5D909E9ADE)

[Sec. 4-3-30. Sales Tax Capital Improvement Fund created.](#BK_08B5F776B845537C78068E079B928299)

[Sec. 4-3-40. Wastewater Fund created.](#BK_D19B1C4870AAB3F1C5DD420EE80755D8)

[Sec. 4-3-50. Water Fund created.](#BK_0C937B9AAF723C1E3767BC12DB02F002)

Sec. 4-3-10.   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. 1-98, 1998, §1)

Sec. 4-3-20.   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. 1-98, 1998, §1)

Sec. 4-3-30.   Sales Tax Capital Improvement Fund created.

There is hereby created a special fund of the Town to be known as the Sales Tax Capital Improvement Fund.

(Ord. 104, 1981, §1; Ord. 108, 1984, §3; Ord. 1-98, 1998, §1)

Sec. 4-3-40.   Wastewater Fund created.

There is hereby created a special fund, to be known as the Wastewater Fund, and the funds therein shall be used only for the purposes allowed by law.

(Ord. 1-98, 1998, §1)

Sec. 4-3-50.   Water Fund created.

There is hereby created a special fund, to be known as the Water Fund, and the funds therein shall be used only for the purposes allowed by law.

(Ord. 1-98, 1998, §1)

## ARTICLE IV   Sales Tax

[Sec. 4-4-10. Purpose.](#BK_A9980938E60892D100C7A6E99C8B0F6F)

[Sec. 4-4-20. Statutory definitions incorporated.](#BK_E75F15F2119A1ECD14F149AEF0CBCDCA)

[Sec. 4-4-30. Vendor's fee.](#BK_0478828767F4080871402A4E9C3124F1)

[Sec. 4-4-40. General provisions and exemptions from taxation.](#BK_113B2335EC14921E9D2B47E5051AE2CC)

[Sec. 4-4-50. Schedule of sales tax.](#BK_1EF6540A679D4FA11502F5E14F3C4B5A)

[Sec. 4-4-60. Amendments.](#BK_E4FD2A7251C60221C55F94DF957F1BA9)

[Sec. 4-4-70. Penalty.](#BK_2042801010846EABEF68052EA19B4D02)

[Sec. 4-4-80. Effective date.](#BK_2550CEF8FFDBDA15248B41DBDC74B548)

Sec. 4-4-10.   Purpose.

The purpose of this Article is to impose a sales tax on the sale of the tangible personal property at retail, or the furnishing of services as provided in Section 29-2-105(l)(d), C.R.S., upon every retailer in the Town.

(Ord. 93, 1978, §1; Ord. 1-98, 1998, §1; Ord. 2014-01, 2014, §1.A.)

Sec. 4-4-20.   Statutory definitions incorporated.

For the purposes of this Article, 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.

(Ord. 93, 1978, §2; Ord. 1-98, 1998, §1; Ord. 2014-01, 2014, §1.B.)

Sec. 4-4-30.   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 (31/3%) 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, 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 (31/3%) shall be remitted to the Executive Director by any such delinquent vendor.

(Ord. 93, 1978, §3; Ord. 2014-01, 2014, §1.C.)

Sec. 4-4-40.   General provisions and exemptions from taxation.

(a) For the purpose of collection, administration and enforcement of this Article by the Executive Director of Revenue, the provisions of Section 29-2-106, C.R.S., shall be deemed applicable and incorporated into this Article.

(b) The amount subject to tax under this Article shall not include the State sales and use tax imposed by Article 26, Chapter 39, C.R.S.

(c) The exemptions set forth in Title 39, Article 26 Part 7, C.R.S. shall also be exempt from tax under this Article.

(d) In addition to items set forth in paragraph (c), food which is advertised or marketed for human consumption and is sold in the same form, condition, quantities and packaging as is commonly sold by grocers is exempt from tax. The term includes cereals and cereal products; milk and milk products; meats and meat products; fish and fish products; eggs and egg products; vegetables and vegetable products; fruits and fruit products; sugars, sugar products and sugar substitutes; coffees and coffee substitutes; teas; cocoa and cocoa products; spices, condiments, salt and oleo-margarine. The term does not include food or drink served in restaurants; chewing gum; spirituous, malt or vinous liquors; cocktail mixes; proprietary medicines; nostrums; lozenges; tonics; vitamins and other dietary supplements; water, mineral water and carbonated water marketed in containers; ice; pet foods; food or drink furnished, prepared or served for consumption at tables, chairs or counters, or from trays, glasses, dishes or other tableware provided by the retailer; prepared food or drink sold by retailers who regularly sell for consumption on or near the premises of the retailer even though such food or drink is sold on a "take-out" or "to-go" order and is bagged, packaged or wrapped and taken from the premises of the retailer; and food or drink vended by or through machines on behalf of a vendor.

(e) For the purpose of this Article, 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.

(f) 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 Chapter 39, C.R.S., regardless of the places to which delivery is made.

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

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

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

(i) Town Sales Tax Capital Improvement Fund.

(1) For so long as the Town's Sales Tax Revenue Bonds, Series 1999 (the "1999 Bonds") remain outstanding, eighty-seven and one-half percent (87.5%) of the proceeds of the two-percent Town sales tax (the "pledged revenues") shall be deposited to the Town Sales Tax Capital Improvement Fund (the "Fund") and used solely for the purposes for which such Fund may be used.

(2) For so long as the 1999 Bonds remain outstanding, the remaining twelve and one-half percent (12.5%) of the proceeds of the two-percent Town sales tax shall be deposited into the Town's General Fund for use as directed by the Board of Trustees.

(3) For so long as the 1999 Bonds remain outstanding, immediately upon receipt or collection thereof, the pledged revenues shall be credited to the Fund and used solely for the purpose of providing capital improvements or paying debt service on the 1999 Bonds. Monies credited to the Fund shall not be available to be pledged or expended, by interfund transfer or otherwise, for any general purposes of the Town.

(4) Revenues received by the Town as a result of the one percent (1%) increase in the sales tax, and, after the 1999 Bonds are no longer outstanding, revenues received from the entire three percent (3%) sales tax, may be (1) deposited into the Town's General Fund for use as directed by the Board of Trustees, or (2) deposited into the Capital Improvement Fund at the discretion of the Board to provide funds for capital improvements pursuant to Section 29-2-111, C.R.S., or pledged to pay the principal and/or interest on sales tax revenue bonds if such bonds are approved by the voters of the Town.

(Ord. 93, 1978, §5; 12-18-79, Special Election; Ord. 104, 1981, §1; Ord. 108, 1984, §3; Ord. 1-98, 1998, §1; Ord. 2014-01, 2014, §1.D.)

Sec. 4-4-50.   Schedule of sales tax.

(a) There is hereby imposed on the sale of tangible personal property at retail or the furnishing of services as provided in Section 39-26-104, C.R.S., a tax equal to three percent (3%) of the gross receipts. The tangible personal property and services taxable by this Article shall be the same as the tangible personal property and services taxable pursuant to Section 39-26-104, C.R.S., and subject to the same exemptions as those specified in Title 39, Article 26 Part 7, C.R.S.; provided that the exemption for sales of electricity, coal, wood, gas, fuel oil or coke sold to occupants of residences pursuant to Title 39, Article 26 Part 7, C.R.S., and the exemption for sales of machinery or machine tools pursuant to Title 39, Article 26 Part 7, C.R.S., shall not apply to the sales tax imposed by this Article, and the sale of such items is expressly made taxable under this Article; provided further that the exemption for sales of food pursuant to Title 39, Article 26 Part 7, C.R.S., shall apply to the sales tax imposed by this Article, and the sale of such items is expressly exempted from the sales tax imposed by this Article. The imposition of the Town sales tax on individual sales shall be in accordance with schedules set forth in the rules and regulations promulgated by the Department of Revenue. If any vendor, during any reporting period, shall collect as the Town sales tax an amount in excess of three percent (3%) of the total taxable sales, he or she shall remit to the Executive Director the full amount of the tax herein imposed and such excess.

(b) The collection, administration and enforcement of this sales tax shall be performed by the Director of Revenue in the same manner as the collection, administration and enforcement of the State sales tax. The provisions of Section 29-2-106 and Article 26 of Title 39, C.R.S., and all rules and regulations for the administration and enforcement of the sales tax imposed by this Article.

(Ord. 93, 1978, §6; Ord. 108, 1984, §1; Ord. 1-98, 1998, §1; Ord. 2014-01, 2014, §1.E.)

Sec. 4-4-60.   Amendments.

Except as to the sales tax rate of three percent (3%) imposed herein, the items taxed and exempted from the tax hereunder and the use of the tax revenues provided for in Section 4-4-50(h) hereof, the Board of Trustees may amend, alter or change this Article by the adoption of an amending ordinance in accordance with law. Such amendment, alteration or change need not be submitted to the electors of the Town for their approval.

(Ord. 93, 1978, §7; Ord. 108, 1984, §2; Ord. 1-98, 1998, §1; Ord. 2014-01, 2014, § 1.F.)

Sec. 4-4-70.   Penalty.

Any person convicted of violating any of the provisions of this Article shall be punished as set forth in Section 1-4-20 of this Code.

(Ord. 93, 1978, §8; Ord. 1-98, 1998, §1; Ord. 2014-01, 2014, §1.G.)

Sec. 4-4-80.   Effective date.

This Article shall take effect July 1, 1978, and shall apply to all retail sales unless exemption is made on or after that date.

(Ord. 93, 1978, §9; Ord. 2014-01, 2014, §1.H.)

## ARTICLE V   Use Tax

[Sec. 4-5-10. Use tax levy on building materials.](#BK_CBDC3EB010A80DDD7837647C3887B192)

[Sec. 4-5-20. Use tax definitions.](#BK_2230AA89CB79FCAD82BCADF1292778D0)

[Sec. 4-5-30. Use tax exemptions.](#BK_67AFED07E212AB8BB6D17E7D1BA30071)

[Sec. 4-5-40. Administration of construction and building materials use tax.](#BK_614992C8A22FE8873EC0F75B623A489B)

Sec. 4-5-10.   Use tax levy on building materials.

There is hereby levied, and there shall be collected and paid, a use tax on the privilege of using or consuming within the Town any construction or materials purchased to be used for construction, equal to three percent (3%) of the cost thereof. Such tax shall be collected in accordance with schedules set forth in the rules and regulations promulgated by the Colorado Department of Revenue or as is otherwise provided by this Article.

(Ord. 2-01, 2001, §2; Ord. 2014-01, 2014, §2.A.)

Sec. 4-5-20.   Use tax definitions.

For purposes of this Article, definitions of words contained herein shall have the meanings set forth in Section 39-26-201, C.R.S., as it currently exists or may hereafter be amended, and all definitions therein set forth are incorporated herein by this reference.

(Ord. 2-01, 2001, §3; Ord. 2014-01, 2014, §2.B.)

Sec. 4-5-30.   Use tax exemptions.

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 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 a business in the State.

(4) To the storage, use or consumption of tangible personal property by the United States government or the State, or its institutions or political subdivision, 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 of, 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 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, use or consumption of any construction and building materials if a written contract for the purchase thereof was entered into prior to the effective date of this use tax.

(9) 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.

(Ord. 2-01, 2001, §4; Ord. 2014-01, 2014, §2.C.)

Sec. 4-5-40.   Administration of construction and building materials use tax.

Except as is otherwise provided herein, the collection, administration and enforcement of the construction and building materials use tax shall be performed by the Board of Trustees or its authorized administrative authority. Collection and administration of the tax imposed by this Article shall be performed in substantially the same manner as the collection, administration and enforcement of the State use tax. The Town may promulgate rules and regulations as may be appropriate for the proper collection, administration and enforcement of the tax herein imposed. No building permits shall be issued until all applicable use taxes on the construction and building materials have been paid in full.

(Ord. 2-01, 2001, §5; Ord. 2014-01, 2014, §2.D.)

## ARTICLE VI   Business and Occupation Fee on Telephone Service

[Sec. 4-6-10. Levy of fees.](#BK_D4BFCF19280B35C63571CBD56107CEBF)

[Sec. 4-6-20. Fees continue.](#BK_83D5B66C573F9EDF1CABB019F1207389)

[Sec. 4-6-30. Filing statement and payment of fees.](#BK_3768D4D59F6B02F11C8A8A6FFC9B8371)

[Sec. 4-6-40. Failure to pay.](#BK_93F163C2001FB60965102A2C94947E33)

[Sec. 4-6-50. Penalty clause.](#BK_5E7573D3205A314FEF2D469F78CADFEA)

[Sec. 4-6-60. Inspection of records.](#BK_AE260A3FD588435E74B38035A225ADB3)

[Sec. 4-6-70. Definitions.](#BK_FABCED968429BAEA887BA931BA0F74D2)

[Sec. 4-6-80. Local purpose.](#BK_33BEF99627E4BE6BE47509B1CA3E9E39)

[Sec. 4-6-90. Credit against tax.](#BK_23B701A1DF5015D0EB041B745642B43A)

Sec. 4-6-10.   Levy of fees.

There is hereby levied on and against each telephone utility company or basic local exchange service provider, together with any new provider operating within the Town, a fee on the occupation and business of supplying local exchange telephone service at retail to the inhabitants of the Town.

(1) The amount levied above shall be determined by dividing the original amount of the annual fee of eight hundred eighty dollars ($880.00) by the number of telephone lines which are providing local exchange service on the 1st day of October, 2004, by all suppliers of local exchange telephone service within the Town. Such fees, as determined by this calculation, shall be the fee per line used in future years until appropriately amended by the Town.

(2) No later than September 1, 2004, the Town shall notify each telephone utility company, basic local exchange service provider and new provider that supplies local exchange telephone service within the Town of its obligation to report the number of lines that provide local exchange service on October 1, 2004, within the Town. Such report shall be returned to the Town no later than November 1, 2004.

(3) The Town shall then perform the calculation described in Paragraph (1) above to determine the fee for each telephone line and notify each supplier of its respective liability on or before December 1, 2004. Such notification shall also include the established fee per line for future years.

(Ord. 90, 1977, §1; Ord. 2004-05, 2004, §1)

Sec. 4-6-20.   Fees continue.

The fees levied by the ordinance codified herein commenced on November 1, 1977, and shall continue in similar form, except as the per-line fee is established in Paragraph 4-6-10(3) above.

(Ord. 90, 1977, §2; Ord. 2004-05, 2004, §2)

Sec. 4-6-30.   Filing statement and payment of fees.

(a) Within forty-five (45) days after the end of the calendar year after the effective date of the fee herein levied, telephone utility companies, basic local exchange service providers and new providers shall file with the Town Clerk, in such form as the Town Clerk may require, a statement showing the total number of lines each has supplied to consumers within the corporate limits of the Town and the amount of the business and occupation fee owed for the current year.

(b) The annual fee shall be paid to the Town Clerk on or before February 15 of each calendar year.

(Ord. 90, 1977, §3; Ord. 2004-05, 2004, §3)

Sec. 4-6-40.   Failure to pay.

If the telephone utility company, basic local exchange service provider or new provider subject to the provisions of this Article shall fail to pay the fee as herein provided, the full amount thereof shall be due and collected from such company, and the same, together with an addition of ten percent (10%) of the amount of fees due, shall be and hereby is declared to be a debt due and owing from such company to the Town. The Town Attorney, upon the direction of the Board of Trustees, shall commence and prosecute to final judgment and determination in any court of competent jurisdiction an action at law to collect said debt in the name of the People of the State of Colorado.

(Ord. 90, 1977, §4; Ord. 2004-05, 2004, §4)

Sec. 4-6-50.   Penalty clause.

If any officer, agent or manager of a telephone utility company or basic local exchange service provider or new provider which is subject to the provisions of this Article shall fail, neglect or refuse to make or file any annual statement in the manner herein prescribed, said officer, agent, manager or person shall, on conviction thereof, be punished by a fine of not less than twenty-five dollars ($25.00) nor more than three hundred dollars ($300.00); provided that each day after said annual statement shall become delinquent during which said officer, agent, manager or person shall so fail, neglect or refuse to make and file such statement shall be considered a separate and distinct offense.

(Ord. 90, 1977, §5; Ord. 2004-05, 2004, §5)

Sec. 4-6-60.   Inspection of records.

The Town or its officers or representative shall have the right at all reasonable hours and times to examine the books and records of telephone utility companies, basic local exchange service providers or new providers which are subject to the provisions of this Article and to make copies of the entries or contents thereof.

(Ord. 90, 1977, §6; Ord. 2004-05, 2004, §6)

Sec. 4-6-70.   Definitions.

As used in this Article:

*Line* means a separate telephone number or telephone circuit identification number provided to a customer at retail, except that, to the extent a provider provides basic local exchange service through trunks, a *line* means a network access register, or its functional equivalent, provided to a customer at retail.

*Local exchange provider* or *new provider* means any company or entity providing basic local exchange service through use of its own facilities, through resale or through any combination thereof, providing telephone exchange service at retail.

(Ord. 2004-05, 2004, §7)

Sec. 4-6-80.   Local purpose.

The fees herein provided are upon occupations and businesses in the performance of local functions and are not fees based on revenues or fees upon those functions relating to interstate commerce. It is expressly understood that none of the terms of this Article be construed to mean that any utility company is issued a franchise by the Town.

(Ord. 90, 1977, §7; Ord. 2004-05, 2004, §8)

Sec. 4-6-90.   Credit against tax.

The provisions of this Article shall not apply to any utility, business or occupation maintaining facilities or carrying on functions and operations within the corporate limits of the Town under a franchise granted by the Town, the terms of which said franchise provide that the franchise fee payable in connection therewith shall be in lieu of all other fees which may, from time to time, be imposed by the Town upon the conduct or operation of a business or occupation within the corporate limits of the Town.

(Ord. 90, 1977, §8; Ord. 2004-05, 2004, §8)