

ORDINANCE NO. 23-\_\_\_\_\_

AN ORDINANCE AMENDING PART 5 (LICENSE FEES) AND SECTION 1008 (PAYMENT BY CASH OR GUARANTEED FUNDS) OF PART 10 (OFFENSES; FAILURE TO FILE, PAY) BOTH OF ARTICLE 7 (SALES AND USE TAX) OF CHAPTER 2 (BUSINESS LICENSING, LIQUOR REGULATION AND TAXATION) OF THE CODE OF THE CITY OF COLORADO SPRINGS 2001, AS AMENDED, PERTAINING TO LICENSE FEES

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:

Section 1. Part 5 (License Fees) of Article 7 (Sales and Use Tax) of Chapter 2 (Business Licensing, Liquor Regulation and Taxation) of the Code of the City of Colorado Springs 2001, as amended, is amended to read as follows:

- 2.7.501: License **or Account** Required
- 2.7.502: Application; Renewal; Contents
- 2.7.503: License Fees
- 2.7.504: Form Of License; License Not Transferable
- 2.7.505: ~~Temporary~~ **Special Event Sales Tax** License ~~Cash Deposit~~
- 2.7.506: Cancellation
- 2.7.507: Revocation
- 2.7.508: Sales Tax License Exemption

2.7.501: LICENSE **OR ACCOUNT** REQUIRED:

A. **Sales Tax License.** Unless specifically exempted by this City Tax Code, any person who sells tangible personal property or taxable services subject to the tax imposed by this City Tax Code shall possess **and maintain** a Sales Tax license for each location at which business is transacted. ~~Except for a temporary Sales Tax license, which shall be valid for the dates specified on the license, a Sales Tax license shall be valid from its effective date through December 31 of the odd numbered year.~~ **Vending machine operators may obtain a single Sales Tax license and are not required to license each vending machine location.**

B. **Use Tax Account.** Any person engaged in business in the City who does not sell tangible personal property or render taxable services subject to the Sales Tax imposed by this City Tax Code and who purchases tangible personal property or taxable services for use within the City without paying City Sales Tax on those

purchases shall establish a Use Tax account under procedures established by the Director.

**C. A Sales Tax license or Use Tax account shall be valid from its effective date through December 31 of the odd numbered year, except for a single event Sales Tax license, which shall be valid for the dates specified on the license.**

~~CD.~~ The Director shall investigate potential noncompliance with this article by inspecting the records of past or present customers of public utilities, and by taking any other action the Director deems appropriate.

#### 2.7.502: APPLICATION; RENEWAL; CONTENTS:

~~A.~~ The Director shall process ~~all Sales Tax license applications~~ only upon the payment of the Sales Tax license fee and the filing of an application that states the name, address, and other contact information of the person or business desiring the license; the nature of the business; and any other information required **the forms as provided** by the Director ~~for the purpose of enforcing this City Tax Code.~~

**B. All license or account owners are required to maintain accurate and current information for each location. Any change from the original application must be reported to the City within thirty (30) days of the change on forms prescribed by the Director.**

~~BC.~~ At any time within ninety (90) days prior to the expiration of the current license **or account**, a licensee **or account owner** may apply for a ~~license renewal~~ for the succeeding ~~license period.~~ and pay the required fee.

~~C.~~ Whenever any renewal application and accompanying fee payment is not received on or before the expiration date of any license issued for the current license period, and the licensee continues to sell tangible personal property or taxable services, an additional penalty of fifty percent (50%) of the amount of the license renewal fee shall be imposed and collected. The Director shall be authorized to waive or adjust any or all of this penalty whenever the Director determines the delinquency is not the fault of the licensee and to collect or require payment of the penalty would be an injustice.

D. The failure of a licensee **or account owner** to exercise the privilege of ~~license~~ a renewal for a period of thirty one (31) days beyond the expiration of the license **or account** shall be prima facie evidence that the licensee **or account owner** does not intend to renew, ~~the license,~~ and that the license has expired and is no longer valid.

#### 2.7.503: LICENSE FEES:

**Effective September 1, 2023, license application fees are no longer required.**

~~A. Except for a temporary license, a nonrefundable application fee shall be paid with the application for a new Sales Tax license according to the following schedule:~~

<del>For A New License Application Filed Between</del>	<del>The Fee Is</del>
<del>January 1 through June 30 of the even numbered year</del>	<del>\$20.00</del>
<del>July 1 through December 31 of the even numbered year</del>	<del>15.00</del>
<del>January 1 through June 30 of the odd numbered year</del>	<del>10.00</del>
<del>July 1 through December 31 of the odd numbered year</del>	<del>5.00</del>

~~B. A nonrefundable renewal fee of twenty dollars (\$20.00) shall be paid with the application to renew a license.~~

~~C. A nonrefundable fee of twenty dollars (\$20.00) shall be paid with the application for a temporary license. A temporary license shall not be renewed, but upon the application for a new temporary license and the payment of a nonrefundable fee of twenty dollars (\$20.00), the Director may issue a new temporary license.~~

~~D. The license and tax imposed by this City Tax Code shall be in addition to all other licenses and taxes imposed by law, except as otherwise provided.~~

**2.7.504: FORM OF LICENSE; LICENSE NOT TRANSFERABLE:**

Each **Sales Tax** license shall be numbered and shall show the name, mailing address **of the business location**, and place and character **identify the nature** of business, of the licensee and shall be posted in a conspicuous place in the place of business for which it is issued. **All posted licenses are required to be valid and within the current effective date.** No license shall be transferable.

**2.7.505: SPECIAL EVENT SALES TAX LICENSE; CASH DEPOSIT:**

A. A **single-event** temporary **Sales Tax** license shall be required **for any special event held at a single location** if it appears that the license will be used for sixty ~~(60)~~ **ninety (90)** or fewer consecutive days. **A single-event Sales Tax license shall be closed thirty (30) days following the last day of the special event.**

**B. A multiple event Sales Tax license shall be required for any retailer who sells at multiple special events at more than one location within the two (2) year licensing cycle.**

C. A cash deposit of ~~fifty~~ **one hundred and twenty-five** dollars (~~\$50.00~~**125.00**) shall **may** be required before a temporary **special event Sales Tax** license is issued,

except that if the Director determines that the tax liability is likely to exceed  ~~fifty~~ **one hundred and twenty-five** dollars (~~\$50.00~~**125.00**), the Director may require a larger cash deposit.

D. If the Sales Tax liability is less than the posted cash deposit, a refund may be applied for within thirty (30) days after the expiration of a ~~temporary~~ **special event** license.

#### 2.7.506: CANCELLATION:

Every ~~taxpayer must~~ **Sales Tax licensee shall** notify the City to cancel a Sales Tax license when the ~~business taxpayer~~ ceases making taxable sales and taxable purchases subject to City Sales Tax. The ~~taxpayer~~ **licensee** shall make a final return for the last reporting period.

**Every Use Tax account owner who remits Use Tax shall notify the City to cancel the account when the taxpayer ceases all business activity within the City.**

If any ~~person taxpayer~~ fails to submit report(s) or reports no City Sales Tax, ~~or~~ City Use Tax, **or Excise Tax** for twelve (12) consecutive months, four (4) consecutive quarterly periods, or one annual reporting period, this lack of taxable activity shall serve as prima facie evidence that the ~~person taxpayer~~ is no longer engaged in business **in the City**. Following an attempt to notify the ~~person taxpayer~~, the City may cancel the ~~person's taxpayer's~~ license and notify the ~~person taxpayer~~ of the cancellation in writing at the last known mailing **or email** address on file.

\* \* \*

Section 2. Section 1008 (Payment by Cash or Guaranteed Funds) of Part 10 (Offenses; Failure to File, Pay) of Article 7 (Sales and Use Tax) of Chapter 2 (Business Licensing, Liquor Regulation and Taxation) of the Code of the City of Colorado Springs 2001, as amended, is amended to read as follows:

#### 2.7.1008: PAYMENT BY CASH OR GUARANTEED FUNDS:

When any person, taxpayer or retailer liable for the payment of a tax imposed by this City Tax Code has issued to the City ~~three (3)~~ **one (1)** or more checks dishonored by the drawee on account of insufficient funds or for any reason whatsoever, then the Director may require that the person, taxpayer or retailer pay any taxes collected for or due to the City or any penalty or interest due to the City by cash or funds in the other form that will in the discretion of the Director guarantee payment of the tax, penalty or interest to the City.

Section 3. This ordinance shall be in full force and effect from and after its final adoption and publication as provided by Charter.

Section 4. Council deems it appropriate that this ordinance be published by title and summary prepared by the City Clerk and that this ordinance be available for inspection and acquisition in the office of the City Clerk.

Introduced, read, passed on first reading and ordered published this \_\_\_\_ day of \_\_\_\_\_, 2023.

**Finally passed:** \_\_\_\_\_

\_\_\_\_\_  
Randy Helms, Council President

**Mayor's Action:**

- Approved on \_\_\_\_\_.
- Disapproved on \_\_\_\_\_, based on the following objections:

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\_\_\_\_\_  
Yemi Mobolade, Mayor

**Council Action After Disapproval:**

- Council did not act to override the Mayor's veto.
- Finally adopted on a vote of \_\_\_\_\_, on \_\_\_\_\_.
- Council action on \_\_\_\_\_ failed to override the Mayor's veto.

\_\_\_\_\_  
Randy Helms, Council President

ATTEST:

\_\_\_\_\_  
Sarah B. Johnson, City Clerk