

ORDINANCE NO. 20-_____

AN ORDINANCE AMENDING 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 A CHANGE TO THE SALES AND USE TAX RATE FROM THREE AND TWELVE ONE-HUNDREDTHS PERCENT (3.12%) TO THREE AND SEVEN ONE-HUNDREDTHS PERCENT (3.07%).

WHEREAS, at the November 5, 2019, special municipal election, the voters of the City approved a ballot question authorizing an extension to the temporary additional levy in City sales and use tax for five additional years with a reduction in said tax of five one-hundredths percent (0.05%) from sixty-two one-hundredths percent (0.62%) to fifty-seven one-hundredths percent (0.57%) dedicated solely to road repair, maintenance and improvements and constituting a voter approved revenue change exempt from spending and revenue limitations.

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

Section 1. The rate of sales and use tax is amended from three and twelve one-hundredths percent (3.12%) to three and seven one-hundredths percent (3.07%) in the following Sections 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: §§ 2.7.103, 2.7.201, 2.7.406, 2.7.434, 2.7.444, 2.7.446, 2.7.602, 2.7.808.

Section 2. Section 203 (Tax Bracket Schedule) of Part 2 (Tax Imposed; Tax Rate) 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:

2.7.203: TAX BRACKET SCHEDULE:

* * *

Purchase Price	Tax
Purchase price up to and including \$0.16	No tax
Purchase price greater than \$0.16 up to and including \$0.48	\$0.01

Purchase price greater than \$0.48 up to and including \$0.80 \$0.81	\$0.02
Purchase price greater than \$0.80 \$0.81 up to and including \$0.99	\$0.03
Purchase price greater than \$0.99	\$0.0312 \$0.0307 on each full \$1.00 of the purchase price plus the tax imposed by this schedule for the applicable fractional part of a dollar

Section 3. Section 444 (Machinery or Equipment; Alternative Rate of Tax Exemption) of Part 4 (Exempt Transactions, Commodities and Persons; Deductions) 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:

2.7.444: MACHINERY OR EQUIPMENT; ALTERNATIVE RATE OF TAX EXEMPTION:

* * *

		Rate Of Tax
A.	Purchases of \$0.01 to and including \$4,999,999.99	3.12 3.07 percent
	Purchases of \$5,000,000.00 to and including \$7,500,000.00	2.62 2.57 percent
	Purchases of \$7,500,000.01 to and including \$10,000,000.00	2.12 2.07 percent
	Purchases of \$10,000,000.01 to and including \$15,000,000.00	1.62 1.57 percent
	Purchases of \$15,000,000.01 to and including \$20,000,000.00	1.12 1.07 percent
	Purchases in excess of \$20,000,000.00	No tax

* * *

Section 4. That the tax levy established in this ordinance shall apply to all transactions occurring on or after January 1, 2021.

Section 5. This ordinance shall be in full force and effect from and after its final adoption and publication as provided by Charter, with an effective date of January 1, 2021. All existing tax rates prescribed in Article 7 of Chapter 2 of the Code of the City of Colorado Springs shall remain in effect through December 31, 2020.

Section 6. 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 _____, 2020.

Finally passed: _____

City Council President

Mayor's Action:

- Approved on _____.
- Disapproved on _____, based on the following objections:

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.

City Council President

ATTEST:

City Clerk