

ORDINANCE NO. 24-_____

AN ORDINANCE AMENDING MULTIPLE SECTIONS OF ARTICLE 7 (SALES AND USE TAX) AND SECTION 105 (APPLICABILITY OF CITY SALES AND USE TAX ORDINANCE) OF ARTICLE 10 (MOTION PICTURE THEATER ADMISSIONS TAX) BOTH OF CHAPTER 2 (BUSINESS LICENSING, LIQUOR REGULATION AND TAXATION) OF THE CODE OF THE CITY OF COLORADO SPRINGS 2001, AS AMENDED, PERTAINING TO SALES RELATED TO A SCHOOL

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

Section 1. 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:

2.7.104: WORDS AND PHRASES DEFINED:

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~~SCHOOL: An educational institution having a curriculum comparable to a grade, grammar, junior high, high school or college, or any combination thereof, requiring daily attendance having an enrollment of at least forty (40) students, and charging a tuition fee.~~

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2.7.436: ~~SCHOOL SPONSORED PERSON~~ **SALES RELATED TO A SCHOOL:**

~~Sales by a person sponsored by either a public school or a "school", as defined in section 2.7.104 of this article, are exempt. This exemption shall include only one hundred fifty dollars (\$150.00) of sales by the person for each of the following quarters of the calendar year: January through March, April through June, July through September and October through December; and:~~

~~A. The funds derived from the sales are either deposited in a school account or are otherwise accounted for through the school administration; and~~

~~B. The proceeds from the sale are used for the benefit of the school or the person sponsored by the school; and~~

~~C. The person is a student enrolled in the school or is an organization primarily composed of students enrolled in the school.~~ **Sales made by a school, an association or organization of parents and school teachers, a booster club or other club, group, or organization whose primary purpose is to support a school activity, or a school class, or student club, group or organization, are exempt from sales tax if all proceeds of the sale are for the benefit of the school or a school-approved student organization. For purposes of this section, school means a public or nonpublic school for students in kindergarten through twelfth grade or any portion thereof. Preschools, trade schools, post-secondary schools are not eligible.**

2.7.437: **PUBLIC SCHOOLS:**

The purchase price paid or charged on direct sales to and direct purchases by a **public school operating as an educational institution having a curriculum comparable to a grade, grammar, junior high, high school or college, requiring daily attendance and enrollment of forty (40) or more students** ~~other than a school held or conducted for private or corporate profit~~ in the conduct of its educational functions and activities ~~only~~ are exempt, provided that a letter of exemption from the City is possessed by the school. ~~The school is required, however, to collect Sales Tax when taxable sales are made by it.~~ **Schools held or conducted for private or corporate profit do not qualify for exemption.**

Section 2. Section 105 (Applicability of City Sales and Use Tax Ordinance) of Article 10 (Motion Picture Theater Admissions 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:

2.10.105: **APPLICABILITY OF CITY SALES AND USE TAX ORDINANCE:**

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A. The definitions of Director, "person", ~~and "resident" and "school"~~ in section 2.7.104 of this chapter.

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Section 3. This ordinance shall be in full force and effect 30 days from and after its passage 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 _____, 2024.

Finally passed: _____

Randy Helms, Council President

Mayor's Action:

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

Blessing A. 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