

**CITY OF WHEAT RIDGE, COLORADO**  
**INTRODUCED BY COUNCIL MEMBER URBAN**  
**COUNCIL BILL NO. 21**  
**ORDINANCE NO. 1633**  
**Series 2017**

**TITLE: AN ORDINANCE AMENDING SECTION 22-66 OF THE WHEAT RIDGE CODE OF LAWS REGARDING USE TAX APPLIED TO CONSTRUCTION EQUIPMENT AND CREDIT FOR SALES OR USE TAX PREVIOUSLY PAID TO ANOTHER MUNICIPALITY**

**WHEREAS**, the City of Wheat Ridge, Colorado (the "City"), is a Colorado home rule municipality, duly organized and existing pursuant to Section 6 of Article XX of the Colorado Constitution; and

**WHEREAS**, pursuant to its home rule authority, the City is empowered to impose and collect sales and use taxes, a power the City Council ("Council") has exercised through the adoption of Chapter 22 of the Wheat Ridge Code of Laws ("Code"); and

**WHEREAS**, in November of 2016, City electors approved an increase in the rate of both sales and use taxes, from three percent (3%) to three and one-half percent (3.5%), for each respective tax; and

**WHEREAS**, in order to codify the approval granted by the voters, the Council amended section 22-56 and section 22-66 of the Code by Ordinance No. 1614 on February 27, 2017, to increase the respective sales and use tax rates as a general matter; and

**WHEREAS**, the Council finds that certain amendments to Section 22-66 of the Code are necessary to make corollary amendments to references to those tax rates elsewhere.

**NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WHEAT RIDGE, COLORADO:**

**Section 1.** Subsection (d) of Section 22-66 of the Code is hereby amended as follows:

(d) *Use tax applied to construction equipment.* Proration of the use tax shall be applied to construction equipment as follows:

- (1) Construction equipment located within the boundaries of the city for more than thirty (30) consecutive days shall be subject to the full applicable use tax of the city.
- (2) Construction equipment which is located within the boundaries of the city for thirty (30) consecutive days or fewer shall be subject to the city's use tax as follows: the purchase price of the equipment shall be multiplied by eight and three-tenths (8.3) percent, the

result of which shall be multiplied by three **AND ONE-HALF (3.5)** percent, the result of which shall be the amount of use tax due.

- (3) Where the provisions of subsection (d)(2) of this paragraph are utilized, the credit provisions of this section shall apply at such time as the aggregate sales and use taxes legally imposed by and paid to other statutory or home rule municipalities on any such equipment equal to three **AND ONE-HALF (3.5)** percent. In order to avail itself of these procedures, the taxpayer shall:

- a. Prior to or on the date the equipment is located within the boundaries of the city, the taxpayer shall file with the city an equipment declaration on a form provided by the city. Such declaration shall state the dates on which the taxpayer anticipates the equipment will be located within and removed from the boundaries of the city, shall include a description of each such anticipated piece of equipment, and shall include such other information as reasonably deemed necessary by the city.
- b. The taxpayer shall file with the city an amended equipment declaration reflecting any changes in the information contained in any previous equipment declaration no less than once every ninety (90) days after the equipment is brought into the boundaries of the city or, for equipment which is brought into the boundaries of the city for a project of less than ninety-days duration, no later than ten (10) days after substantial completion of the project.
- c. The credit provisions of subsection (e) shall not apply.

**Section 2.** Subsection (e) of Section 22-66 of the Code is hereby amended as follows:

(e) *Credit for sales or use tax previously paid to another municipality.*

- (1) The city's sales and 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 sales or use tax of another statutory or home rule municipality legally imposed on the purchaser or user equal to or in excess of three **AND ONE-HALF (3.5)** percent. A credit shall be granted against the city's use tax with respect to the person's storage, use or consumption in the city of tangible personal property, the amount of the credit to equal the tax paid by him by reason of the imposition of a sales or use tax of the previous statutory or home rule municipality on his purchase or use of the property. The amount of the credit shall not exceed three **AND ONE-HALF (3.5)** percent.

- (2) Credit shall not be given for use tax or warehouse tax paid to another jurisdiction if such tax was improperly assessed or imposed by the other jurisdiction.
- (3) Credit shall not be given for funds paid to another taxing jurisdiction for any type of permit or licensing fee.

**Section 3. Severability, Conflicting Ordinances Repealed.** If any section, subsection or clause of this Ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected thereby. All other ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

**Section 4. Effective Date.** This Ordinance shall take effect upon adoption and signature by the Mayor and City Clerk, as permitted by Section 5.11 of the Charter.

**INTRODUCED, READ, AND ADOPTED** on first reading by a vote of 6 to 0 on this 27<sup>th</sup> day of November, 2017, ordered published in full in a newspaper of general circulation in the City of Wheat Ridge, and Public Hearing and consideration on final passage set for December 11, 2017 at 7:00 p.m. in the Council Chambers, 7500 West 29<sup>th</sup> Avenue, Wheat Ridge, Colorado.

READ, ADOPTED AND ORDERED PUBLISHED on second and final reading by a vote of 6 to 1, this 11<sup>th</sup> day of December, 2017.

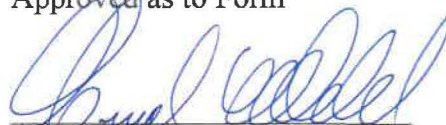
SIGNED by the Mayor on this 11<sup>th</sup> day of December, 2017.

  
Bud Starker, Mayor

ATTEST:

  
Janelle Shaver, City Clerk

Approved as to Form

  
Gerald E. Dahl, City Attorney

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