

ORDINANCE NO. 106, 2009
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AMENDING SECTION 25-123(c)
OF THE CODE OF THE CITY OF FORT COLLINS
RELATING TO THE VENDOR FEE
FOR COLLECTING AND REMITTING SALES TAX

WHEREAS, Section 25-123(c) of the City Code authorizes retailers to retain one percent of the first \$4500 of the amount of sales tax they collect for the City (the “Vendor’s Fee”); and

WHEREAS, the Vendor’s Fee was originally adopted in recognition of the time and effort expended by retailers to collect the City’s sales tax from their customers; and

WHEREAS, current business practices include automated accounting processes that have significantly reduced the time retailers need to invest in collecting the City’s sales tax; and

WHEREAS, the total amount currently retained by retailers is approximately \$300,000 per year; and

WHEREAS, the loss of this amount of sales tax revenues has a significant negative effect on the City and its citizens given the recent budget constraints; and

WHEREAS, the City Council believes it to be in the best interests of the City to eliminate the Vendor’s Fee and to utilize the resulting savings to help defray City expenses.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That Section 25-123(c) of the City Code is hereby amended to read as follows:

Sec. 25-123. Remittance of sales tax collected by retailer.

...

(c) Every retailer shall file a tax return each month with the Financial Officer on or before the twentieth day of each month for the preceding month and remit the tax due to the Financial Officer simultaneously therewith. ~~Every retailer may deduct one (1) percent of the first four thousand five hundred dollars (\$4,500.) of the amount of the sales tax to be remitted by him or her under this Article for the collection and remittance of the sales tax. However, if the remission of the sales tax by the retailer is delinquent, the retailer may not retain any amounts for collecting and remitting the sales tax unless the retailer demonstrates reasonable grounds for the delinquency acceptable to the Financial Officer.~~

Section 2. That this Ordinance shall become effective on January 1, 2010.

Introduced, considered favorably on first reading, and ordered published this 20th day of October, A.D. 2009, and to be presented for final passage on the 3rd day of November, A.D. 2009.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 3rd day of November, A.D. 2009.

Mayor

ATTEST:

City Clerk