



## Legislation Text

---

**File #:** Ordinance 31-2018, **Version:** 2

---

Agenda Date: 08/21/2018

**Subject:**

An ordinance on second reading amending Title 3, Chapter 9 of the municipal code regarding retail sales and use tax

Presented By: Steve Kemp, City Attorney
---

**REQUESTED COUNCIL ACTION:**

Does city council support approving an ordinance on second amending Title 3, Chapter 9 of the municipal code regarding retail sales and use tax?

**BACKGROUND:**

The city's retail sales and use tax code has been amended from time to time to reflect occasional changes in tax practice. The most recent amendments recommended by staff are to enact uniform definitions developed by the Colorado Municipal League. The code is the basis for imposing and regulating all sales (transaction privilege) and use taxes in the city. The city attorney's office and finance department are working on updating portions of the code on a comprehensive basis based on three considerations:

1. Update the code to reflect current duties and responsibilities.
2. Compare the Littleton code to other codes to incorporate best and current practices.
3. Simplify the code for taxpayers and staff.

**PRIOR ACTIONS OR DISCUSSIONS:**

On June 26, 2018, city council held a study session to consider amending the retail sales and use tax code.

**STAFF ANALYSIS:**

This amendment to the retail sales and use tax code is designed to address the following issues:

1. Replace city treasurer with finance director. The term city treasurer dates back to a time when a person collected the money and comprehensive financial management was non-existent.
2. Update the enforcement provisions. As part of the drafting process, staff analyzed enforcement provisions in other cities. The provisions in this draft are modeled on the Aurora code which has more clear cut and direct enforcement provisions. Organize the sections in a more topical manner.

One of the major interactions that businesses have with the city is sales tax collection, licensing, and payment. Improving the code will assist both individuals and businesses. A chart outlining the major changes and a draft ordinance are attached to this council communication.

**OPTIONS/ALTERNATIVES:**

- A. Approve the proposed ordinance on second reading amending the retail sales and use tax code.
- B. Not approve the proposed ordinance on second reading amending the retail sales and use tax code.

**FISCAL IMPACTS:**

This code change does not invoke a change in tax policy that would require voter approval under the Taxpayer's Bill of Rights.

**STAFF RECOMMENDATION:**

Staff recommends council approve the ordinance on second reading amending the retail sales and use tax code.

**PROPOSED MOTION:**

I move to approve the ordinance on second reading amending Title 3, Chapter 9 of the municipal code regarding retail sales and use tax.