

**TOWN OF SEVERANCE
ORDINANCE NO. 2022-18**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF SEVERANCE,
COLORADO, AMENDING CHAPTER 4, ARTICLE 3, “SALES AND USE TAX,” OF
THE SEVERANCE MUNICIPAL CODE TO IMPOSE A USE TAX ON THE
PRIVILEGE OF STORING, USING, OR CONSUMING WITH THE TOWN ANY
MOTOR AND OTHER VEHICLES PURCHASED AT RETAIL FOR WHICH
REGISTRATION IS REQUIRED, CONDITIONED UPON VOTER APPROVAL OF
THE BALLOT TITLE AND TEXT FIXED IN ORDINANCE NO. 2022-14**

WHEREAS, the Town of Severance, Colorado (the “Town”), is a home-rule town duly organized and existing under the Constitution of the State of Colorado and the Home Rule Charter of the Town; and

WHEREAS, Article X, “Taxation,” of the Severance Home Rule Charter and article 2 of title 29 of the Colorado Revised Statutes authorize the Town to adopt by ordinance a tax on the privilege of storing, using, or consuming in the Town any motor and other vehicles, purchased at retail on which registration is required, subject to the approval of the Town’s registered voters; and

WHEREAS, on July 26, 2022, the Town Council of the Town of Severance adopted and approved Ordinance No. 2022-14 calling an election on November 8, 2022, to present a ballot question to the eligible electors of the Town to authorize the imposition and collection of a 3.0% use tax upon the storage, use, or consumption within the Town of motor and other vehicles purchased at retail for which registration is required, and the uses of the revenues generated by such use tax;

WHEREAS, Ordinance No. 2022-14 provides that the Town Council shall enact an implementing ordinance consistent with the terms and conditions in the text and title of the ballot issue fixed therein; and

WHEREAS, the Town Council desires to adopt amendments to Chapter 4, Article 3, “Sales and Use Tax,” of the Severance Municipal Code to implement the necessary provisions to levy, collect, and administer the use tax on motor and other vehicles, such provisions to be effective conditioned upon approval by the Town’s voters of the ballot text and title fixed in Ord. No. 2022-14 at the election on November 8, 2022; and

WHEREAS, this ordinance is enacted pursuant to the Town of Severance’s home rule authority under Article XX, § 6 of the Constitution of the State of Colorado, and pursuant to the Town of Severance’s police powers, in order to safeguard and preserve the public health, safety, and welfare of the community.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF SEVERANCE, COLORADO:¹

Section 1. Sec. 4-3-20, “Definitions,” of the Severance Municipal Code is hereby amended to read as follows:

Sec. 4-3-20. Definitions.

For the purpose of this Article, all terms used and not otherwise defined herein shall have the same meaning as set forth in Sections 39-26-102 and 39-26-201 of the Colorado Revised Statutes (“C.R.S.”), as such definitions currently exist or may hereafter be amended, and said definitions are incorporated herein by this reference.

Section 2. Section 4-3-70, “Collection, administration and enforcement,” of the Severance Municipal Code is hereby amended by the addition of a new subsection (f) to read as follows:

(f) The use tax on motor and other vehicles for which registration is required shall be collected, administered, and enforced as provided in this Article.

Section 3. Section 4-3-80, “Purpose of use tax,” of the Severance Municipal Code is repealed and reenacted to read as follows:

Sec. 4-3-80. Purpose of use tax.

The purpose of the provisions of Sections 4-3-80 through 4-3-120 of this Article is to impose a use tax on:

(a) Building and construction materials which are purchased outside the Town for use, storage, or consumption within the Town, as authorized by Part 1 of Article 2, Title 29, C.R.S.; and

(b) The privilege of storing, using, or consuming within the Town any motor or other vehicle purchased at retail for which registration is required, for the purpose of providing additional revenues to the Town for the preservation, maintenance, improvement, and expansion of the Town’s transportation facilities and related infrastructure.

Section 4. Section 4-3-90, “Imposition,” of the Severance Municipal Code and its title is hereby amended to read as follows:

Sec. 4-3-90. Use tax imposed.

(a) There is hereby imposed on the privilege of storing, using or consuming in the Town any construction or building materials purchased at retail, a use tax of three percent

¹ Additions to existing Code sections are shown by underlining; deletions from existing Code sections are shown by ~~strikethrough~~.

(3%) of the retail purchase price of said construction or building materials. Such tax shall be payable to and shall be collected by the Town Clerk.

(b) There is hereby imposed on privilege of storing, using, or consuming in the Town any motor and other vehicles purchased at retail, a use tax of three percent (3%) of the purchase price thereof. Said tax shall be applicable to every motor and other vehicle for which registration is required by the laws of this state pursuant to Part 1 of Article 3 of Title 42, C.R.S. Such tax shall be collected in accordance with section 4-3-115 of this Article.

Section 5. The title of Section 4-3-110, "Payment," of the Severance Municipal Code is hereby amended to read as follows:

Sec. 4-3-110. Collection and payment of use tax on construction or building materials.

Section 6. Article 3, "Sales and Use Tax," of Chapter 4, "Revenue and Finance," of the Severance Municipal Code is hereby amended by the addition of a new section 4-3-115 to read as follows:

Sec. 4-3-115. Collection and payment of use tax on motor and other vehicles.

(a) If the owner of a motor or other vehicle for which registration is required by the laws of the state pursuant to Part 1 of Article 3 of Title 42, C.R.S., is required to register, license, or obtain a certificate of title for such vehicle at an address located within the Town, the use tax imposed by section 4-3-90(b) shall be collected by the authorized agent of the Department of Revenue in the County pursuant to an agreement or agreements entered into and between the Town and the authorized agent of the Department of Revenue in the County. The proceeds of said use tax shall be paid to the Town periodically in accordance with said agreement.

(b) No registration shall be made of any motor or other vehicle for which registration is required, and no certificate of title shall be issued to such vehicle by the Department of Revenue or its authorized agent, until any tax due upon the use, storage, or consumption thereof pursuant to this Article has been paid.

(c) The Town Manager is hereby authorized to enter into and execute on behalf of the Town any agreement or agreements necessary for the administration and enforcement of this Article, and said agreement or agreements shall be in accordance with the provisions of Title 29, Article 2, C.R.S., or Section 24-35-110, C.R.S., and in a form approved by the Town Manager and Town Attorney.

Section 7. If the use tax proposed in Ordinance No. 2022-14 is approved by the registered electors at the November 8, 2022, coordinated election, the use tax imposed by this ordinance and the provisions herein amending the Severance Municipal Code shall become effective on January 1, 2023. If such use tax is approved by the registered electors at the November 8, 2022, election, the Town Clerk shall provide a copy of this ordinance and notice of its adoption and approval to the executive director of the Colorado Department of Revenue and to the Weld

County Clerk and Recorder.

Section 8. References to Colorado law in this ordinance are to the versions of those laws in effect at the time this ordinance was adopted, as well as any subsequent amendments thereto.

Section 9. If any article, section, paragraph, sentence, clause, or phrase of this ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The Town Council hereby declares it would have passed this ordinance and each part or parts hereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

Section 10. All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

Section 11. This ordinance is deemed necessary for the immediate protection of the health, welfare, and safety of the community.


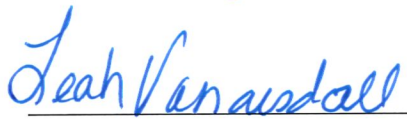
Section 12. Violations of this ordinance shall be punishable in accordance with Section 1-4-20 of the Severance Municipal Code.

INTRODUCED, READ, ADOPTED, APPROVED, AND ORDERED PUBLISHED IN FULL this 9th day of August, 2022.

TOWN OF SEVERANCE, COLORADO


Matthew Fries, Mayor

ATTEST:



Leah Vanarsdall, MMC, Town Clerk

APPROVED AS TO FORM:


Hayashi & Maesalka, LLC, Town Attorney