

ORDINANCE NO. 137, 2025
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AMENDING ARTICLES II AND III OF CHAPTER 25 OF THE
CODE OF THE CITY OF FORT COLLINS RELATING TO SALES
AND USE TAXES

A. Article XX, Section 6(g) of the Colorado Constitution grants to the City of Fort Collins, as a home rule municipality, all powers necessary to levy and collect taxes for municipal purposes, subject to any limitations in the Colorado Constitution.

B. On November 16, 1967, the City Council, in the exercise of its home rule taxing powers, adopted Ordinance No. 058, 1967, to levy, collect, and enforce beginning on January 1, 1968, a sales and use tax on the purchase of tangible personal property sold at retail in the City and on certain taxable services provided in the City.

C. Provisions of the Code relating to tax are currently found in Chapter 25, which has been significantly amended many times since its adoption in 1967.

D. City staff reviewed the Code provisions and recommended further amendments to simplify the Code's language, secure productive tax administration, and ensure the best use of city-collected funds.

E. The effect of the updates recommended by City staff are to:

- Change the Manufacturing Use Tax Rebate application due date in Code Section 25-65 from June 30 to April 30 to provide additional time for staff review and for applicants to petition for additional review of disallowed rebate amounts;
- Add the same definition of "manufacturing equipment" from Article II of Chapter 25 (Manufacturing Use Tax Rebate) to the sales and use tax definitions in Code Section 25-71 for clarity and consistency between Articles II and II of Chapter 25;
- Update the rate of tax in Code Section 25-75(a)(2) to reflect the approval by voters of the extension of the City's ¼ cent street maintenance tax until December 31, 2045;
- Amend various provisions of the Code to increase from twenty-one (21) days to thirty (30) days the period which taxpayers have to make payment on an assessment, petition the Financial Officer for a hearing, protest in writing to the Financial Officer, and file a final return due to the sale of the business to align the Code with Colorado Revised Statutes (C.R.S.) § 29-2-106.1; Code provisions with amendments recommended to effectuate the thirty (30) day period are located in Sections 25-94, 25-147, 25-168, 25-186, 25-191, 25-194, 25-258, 25-264, 25-265, 25-266, 25-276, and 25-278;
- Amend Code Section 25-117 to further clarify a retailer's responsibility to hold sales taxes in trust for the City and to add provisions to authorize

the Financial Officer to require a retailer to hold trust funds in a segregated account when the taxpayer has previously been delinquent in remitting trust funds, has not been timely in filing returns, or when the Financial Officer has good cause to conclude that trust funds are at risk;

- Add a deadline of ninety days (90) from the certificate of occupancy for a contractor to submit a project cost report to Code Sec 25-119(a) to allow contractors and owners sufficient time to complete and submit the report before penalties and interest will apply;
- Amend Code Sections 25-123, 25-124, 25-250, and 25-279 to specify the order in which taxpayer payments will be applied: first to any penalties, second to interest, and finally to the tax due;
- Remove Subsection 25-166(g) of the Code to align with standard industry practices requiring that individual taxpayer information be collected and used for tax administration purposes;
- Amend Code Section 25-173 to align the periods limiting the City's right to recover amounts assessed through a coordinated audit with the periods that apply to other audits;
- Amend for clarity Subsection 25-186(c), concerning the lookback period for audits, by incorporating by reference the three-year period in Subsection 25-225(a), rather than restating that period;
- Amend Code Sections 25-186 and 25-220 to clarify and update the process by which a taxpayer may protest a notice of determination, assessment and demand for payment, or a tax deficiency owed or as a result of an audit by petition for review by the Financial Officer;
- Amend Code Section 25-189 to provide clarity on existing authority to collect unpaid taxes and to update outdated language and practices relating thereto; and
- Increase the threshold in Subsection 25-198(c) of the Code, requiring a written settlement agreement, from \$10,000 to \$25,000 to save staff time across several service areas.

F. City Council hereby finds that amending the City Code as proposed in this Ordinance is in the best interests of the City and its taxpayers and promotes the health, safety and welfare of the community by providing for the accurate and efficient imposition, collection, and enforcement of the City's taxes.

In light of the foregoing recitals, which the Council hereby makes and adopts as determinations and findings, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. Section 25-65 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 25-65. Application for rebate.

Application for the manufacturing equipment use tax rebate on qualifying manufacturing equipment shall be made on forms to be provided by the City. In order to qualify for such rebate, the application must be filed by ~~June~~**April** 30th of the year following the year in which the use taxes for which a rebate is requested were paid. Only one (1) application shall be filed per qualifying manufacturer.

Section 2. Section 25-71 of the Code of the City of Fort Collins is hereby amended by the addition of a new definition "*Manufacturing equipment*" which reads in its entirety as follows:

Manufacturing equipment means equipment to be used in the City that is necessary and essential to the operation or performance of an integrated series of operations that places a product, article, substance, commodity, or other tangible personal property in a form, composition, or character different from that in which it was acquired, whether for sale or for use by a qualifying manufacturer. The change in form, composition, or character must result in a new product, article, substance or commodity that is different from and has a distinct name, character, or use from the raw or prepared materials.

Section 3. Section 25-75 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 25-75. Rate of tax.

(a) The amount of tax hereby levied is four and thirty-five hundredths (4.35) percent of the purchase price of tangible personal property and taxable services except that the amount of use tax levied on manufacturing equipment is three (3) percent of the purchase price. This tax is composed of a rate of two and twenty-five hundredths (2.25) percent that does not expire and is not restricted in the use of its proceeds and the remaining rate of two and ten hundredths (2.10) percent is comprised of the following voter-approved taxes:

...

(2) A twenty-five one-hundredths (0.25) percent tax that expires at midnight on December 31, ~~2025~~**2045**, the proceeds of which are to be used for the purpose of paying the costs of planning, design, right-of-way acquisition, incidental upgrades and other costs associated with the repair and renovation of City streets, including, but not limited to, curbs, gutters, bridges, sidewalks, parkways, shoulders and medians;

...

Section 4. Section 25-94 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 25-94. Exempt organization license; application procedure.

. . .

(c) Upon receipt of an application, the Financial Officer shall examine the same and shall give written notice to the applicant of his or her decision thereon. An applicant whose application has been denied may, within ~~twenty-one (21)~~ **thirty (30)** days after such decision is mailed, petition the Financial Officer for a hearing on the claim. The Financial Officer shall notify the applicant in writing of the time and place of the hearing. After such hearing, the Financial Officer shall make such order in the matter as ~~he or she~~ **they** deems just and proper and shall furnish a copy of such final order to the applicant.

. . .

Section 5. Section 25-117 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 25-117. Tax money in possession of retailer held in trust.

All sums of money paid by a purchaser to a retailer as taxes imposed by this Article shall be and remain public monies that are the property of the City. The retailer, as trustee, shall hold such monies in trust for the sole use and benefit of the City until ~~paid~~ **remitted** to the Financial Officer as herein provided. **It shall be unlawful for any retailer to fail or refuse to remit to the Finance Officer all such trust funds.**

The Financial Officer may require a retailer to hold trust funds segregated or separated from other amounts in a special account at a bank or other financial institution if the retailer is or has been delinquent in remitting sales tax, has not timely filed tax returns, or if the Financial Officer has good cause to conclude that trust funds are at risk of being converted for the retailer's use, such as but not limited to, knowledge that a retailer's business may be sold, transferred, abandoned, dissolved, terminated, or become insolvent.

Section 6. Section 25-119 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 25-119. Tax on construction materials and supplies.

(a) Any person who shall build, construct, reconstruct, alter, expand, modify or improve any building, dwelling or other structure or improvement to real property in the City and who shall purchase or acquire fixtures, minerals or any other construction materials and supplies used therefor or any tangible personal property used therein from sources within or without the City and the owner of the real property shall be jointly and severally responsible for paying the tax set out in this Article. Prior to the issuance of a building permit, an amount of tax to be held on deposit shall be estimated by determining the building value for permit purposes and multiplying that value by a percentage

prescribed by the Financial Officer, which amount shall be collected by the City through the owner or contractor. Upon payment of such sales or use tax deposit, the City shall issue a sales or use tax receipt identifying the address for which the purchase is being made and the City building permit number. It shall be the duty of the owner and/or contractor and subcontractors who are hired to do the above stated work or any portion thereof to submit a project cost report to the Financial Officer, within ninety (90) days from the date of issuance of the certificate of occupancy after which penalties and interest will be applied, on forms authorized by the Financial Officer, stating the actual amounts of any purchases of fixtures, minerals or any other construction materials and supplies or tangible personal property for such work and to remit any tax due in excess of the sales or use tax deposit. In any case, the general contractor and/or owner will be held liable for the payment of all taxes for such materials.

...

Section 7. Section 25-123 of the Code of the City of Fort Collins is hereby amended to read as follows:

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

...

(d) If any retailer shall, during any reporting period, collect as a sales tax an amount in excess of the rate stated in § 25-75 of this Article, the retailer shall remit to the Financial Officer the full amount of the sales tax imposed and such excess.

(e) If any amount of sales tax is not remitted on or before the date due, penalties and interest as set forth in Subsection 25-186(a) of this Article shall be paid by the retailer for the period from the date due to the date paid.

(f) Any retailer that collects and remits sales tax to the Financial Officer as provided in this Article may use an electronic database of state addresses that is certified by the State Department of Revenue, pursuant to Section C.R.S. § 39-26-105.3, C.R.S., to determine the jurisdictions to which tax is owed.

(g) Any retailer that uses the data contained in an electronic database certified by the state Department of Revenue pursuant to Section C.R.S. § 39-26-105.3, C.R.S., to determine the jurisdictions to which tax is owed shall be held harmless for any tax, penalty or interest owed the City that otherwise would be due solely as a result of an error in the electronic database, provided that the retailer demonstrates that it used the most current information available in such electronic database on the date that the sale occurred. Each retailer shall keep and preserve such records as prescribed by the Financial Officer to demonstrate that it used the most current information available in the electronic database on the date that the sale occurred. Notwithstanding the above, if the error in collecting and remitting is a result of a deceptive or false representation or fraud, the provisions of this Section shall not apply.

(h) Untimely payments, partial payments, or any payment insufficient for a deficiency, will be first applied to penalty and collection costs, if any, secondly to accrued interest, and lastly, to the tax itself.

Section 8. Section 25-124 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 25-124. Remittance of use tax.

...

(c) If any amount of use tax is not remitted on or before the date due, penalties and interest as set forth in Subsection 25-186(a) of this Article shall be paid by the taxpayer for the period from the date due to the date paid.

(d) Untimely payments, partial payments, or any payment insufficient for a deficiency, will be first applied to penalty and collection costs, if any, secondly to accrued interest, and lastly, to the tax itself.

Section 9. Section 25-147 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 25-147. Procedure for refund of disputed tax.

A refund shall be made or credit allowed for the tax paid under dispute by any person who claims that the transaction or item was not taxable, claims an exemption as provided in this Article, or claims that taxes were paid in error or by mistake. Such refund or credit shall be made by the Financial Officer after compliance with the following:

(1) *Application.* An application for a refund or credit of sales or use tax paid under dispute, paid in error by a purchaser or user who claims an exemption under Subsection 25-73(c) or Subsection 25-74(b) of this Article, or paid in error or by mistake shall be made within three (3) years after the date of purchase, storage, use or consumption of the goods or services whereon a refund or credit is claimed. Such applications must be accompanied by the original paid invoice or sales receipt and must be made upon such forms as shall be prescribed and furnished by the Financial Officer;

...

(4) *Hearing.* An applicant whose application for a refund has been denied may, within ~~twenty-one (21)~~ **thirty (30)** days after such decision is mailed, petition the Financial Officer for a hearing on the claim. The Financial Officer shall notify the applicant in writing of the time and place of the hearing. After such hearing, the

Financial Officer shall make such order in the matter as ~~he or she~~they deems just and proper and shall furnish a copy of such final order to the applicant.

Section 10. Section 25-166(e) of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 25-166. Preservation of returns and other records; confidentiality.

. . .

(e) Notwithstanding the provisions of this Section, the Financial Officer may furnish to the taxing officials of the State or its political subdivisions, any other state or its political subdivisions or the United States any information contained in any application, report, return or any other document if the recipient jurisdiction agrees with the Financial Officer to grant similar privileges to the City and if such information is to be used by the jurisdiction only for tax-related purposes, except as provided in §Subsection 25-173(e) of this Article.

Section 11. Section 25-166 of the Code of the City of Fort Collins is hereby amended by the deletion of subsection (g) in its entirety.

~~(g) — Notwithstanding the provisions of this Section, the Financial Officer may disclose financial information within the City organization or to City contractors as required for the conduct of City business or in furtherance of City purposes and objectives, so long as the release of the information is conditioned upon reasonable precautions and requirements to prevent disclosure of said information to the public.~~

Section 12. Section 25-168 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 25-168. Examination of returns; recomputation, credits, deficiencies.

As soon as practicable after a return is filed, the Financial Officer shall examine it. If it appears that the correct amount of tax to be remitted may be greater or less than that shown in the return, the tax shall be recomputed by the Financial Officer. If the amount paid exceeds that which is due, the excess shall be refunded or credited against any subsequent remittance from the taxpayer. If the amount paid is less than the amount due and any part of the deficiency is due to negligence or intentional disregard of the provisions of this Article or of authorized rules and regulations of the City with knowledge thereof but without intent to defraud, the amount of the deficiency together with a penalty of ten (10) percent of the amount of the deficiency plus interest on the deficiency at the rate imposed under § 25-188 of this Article from the date the return and the tax was due shall be due and payable by the taxpayer within ~~twenty-one (21)~~thirty (30) days after written notice of determination, assessment and demand for payment is mailed to the taxpayer by the Financial Officer as provided in §Subsection 25-186(b) of this Article. If any part of the deficiency is due to fraud with the intent to evade the tax, then there shall be added a penalty of one hundred (100) percent of the deficiency and in such case, the

amount of the deficiency, the penalty and interest calculated as stated above shall be due and payable by the taxpayer within ~~twenty-one (21)~~ **thirty (30)** days after written notice of determination, assessment and demand for payment is mailed to the taxpayer by the Financial Officer and an additional amount of three (3) percent per month on such amount shall be added from the date the return and tax was due until paid. The taxpayer may protest the notice of determination, assessment and demand for payment issued under this ~~s~~**Section** as provided in § 25-186 **of this Article**.

Section 13. The title of Section 25-169 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 25-169. Investigation of records relating to taxes, **hearing.**

. . .

Section 14. Section 25-173 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 25-173. Coordinated audit.

(a) Any taxpayer licensed in the City pursuant to § 25-91 **of this Article**, and holding a similar sales tax license in at least four (4) other Colorado municipalities that administer their own sales tax collection, may request a coordinated audit as provided herein.

(b) Within fourteen (14) days of receipt of notice of an intended audit by any municipality that administers its own sales tax collection, the taxpayer may provide to the Financial Officer of the City, by certified mail, return receipt requested, a written request for a coordinated audit indicating the municipality from which the notice of intended audit was received and the name of the official who issued such notice. Such request shall include a list of those Colorado municipalities utilizing local collection of their sales tax in which the taxpayer holds a current sales tax license and a declaration that the taxpayer will sign a ~~waiver of any passage of time based limitation~~ **consent to the extension of the period of limitation** upon the City's right to recover ~~tax amounts~~ **owed by the taxpayer** for the audit period.

(c) Except as provided in Subsection (g) **of this Section**, any taxpayer that submits a complete request for a coordinated audit and ~~promptly signs a waiver of thirty-six (36) months~~ **consents to the extension of the period of limitation** may be audited by the City during the twelve (12) months after such request is submitted only through a coordinated audit involving all municipalities electing to participate in such an audit.

(d) If the City desires to participate in the audit of a taxpayer that submits a complete request for a coordinated audit pursuant to Subsection (c) **of this Section**, the Financial Officer shall so notify the finance director of the municipality whose notice of audit prompted the taxpayer's request within ten (10) days after receipt of the taxpayer's request for a coordinated audit. The Financial Officer shall then cooperate with other

participating municipalities in the development of arrangements for the coordinated audit, including arrangement of the time during which the coordinated audit will be conducted, the period of time to be covered by the audit, and a coordinated notice to the taxpayer of those records most likely to be required for completion of the coordinated audit.

(e) If the taxpayer's request for a coordinated audit was in response to a notice of audit issued by the City, the City's Financial Officer shall facilitate arrangements between the City and other municipalities ~~participating in the coordinated audit unless and until an official from some other participating municipality agrees to assume this responsibility.~~ The Financial Officer shall cooperate with other participating municipalities to, whenever practicable, **to** minimize the number of auditors ~~that~~**who** will be present on the taxpayer's premises to conduct the coordinated audit on behalf of the participating municipalities. Information obtained by or on behalf of those municipalities participating in the coordinated audit may be shared only among such participating municipalities.

...

(g) The coordinated audit procedure set forth in this Section shall not apply:

...

(3) When a taxpayer refuses to promptly sign a ~~waiver of thirty-six (36) months;~~
or

~~(4) When a taxpayer fails to provide a timely and complete request for a coordinated audit as provided in Subsection (b).~~ **consent to the extension of the period of limitation upon the City's right to recover amounts owed for the audit period.**

Section 15. Section 25-186 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 25-186. Failure to make return; estimate of taxes; notices; appeal; audit.

(a) If any person fails, neglects or refuses to collect tax or to file a return and pay the tax as required by this Article, the Financial Officer shall make an estimate of the tax due based on available information and shall add thereto interest on such delinquent taxes at the rate imposed by § 25-188 **of this Article** plus one-half (0.5) percent per month from the date the return and tax was due.

(b) The Financial Officer shall serve upon the delinquent taxpayer personally, by first-class mail or certified mail directed to the last address of the taxpayer on file with the City, or by electronic mail directed to the last such address on file with the City, written notice of such estimated taxes, penalty and interest. Such notice shall constitute a notice of determination, assessment and demand for payment and, which payment shall be due and payable within ~~twenty-one (21)~~**thirty (30)** days from the date the notice is mailed.

(c) The Financial Officer may ~~at any time within three (3) years of the date a tax is due,~~ pursuant to the limits in § 25-225 of this Article, serve upon any taxpayer personally, by first-class mail or certified mail directed to the last address of the taxpayer on file with the City, or by electronic mail directed to the last such address on file with the City, a written notice of audit notifying the taxpayer that the Financial Officer will be conducting an audit of the taxpayer's books and records to determine the exact amount of any tax, penalty, interest, collection costs and other charges due. Within thirty (30) days of the date such notice is mailed or within such longer time period as permitted by the Financial Officer, the taxpayer shall make available to Financial Officer all of the taxpayer's relevant books and records requested by the Financial Officer for the audit. If as a result of the audit the Financial Officer determines the taxpayer owes the City any additional tax, penalties, interest, collection costs or other charges under this Article, the Financial Officer shall serve upon the taxpayer a notice of determination, assessment and demand for payment for such tax deficiency as provided in paragraph (b) above and payment shall be due and payable ~~twenty-one (21)~~ thirty (30) days from the date such notice is mailed. If as a result of the audit the Financial Officer determines the taxpayer has overpaid tax to the City, the Financial Officer shall serve upon the taxpayer a notice of overpayment. Taxpayer must sign and submit the notice back to the Financial Officer within thirty (30) days from the date such notice is mailed to be entitled to a refund or credit in the amount of the overpayment.

(d) A taxpayer may protest a notice of determination, assessment and demand for payment issued to a taxpayer for failure to file a return, tax deficiency owed or as a result of an audit by submitting ~~the protest~~ an appeal petition in writing to the Financial Officer within ~~twenty-one (21)~~ thirty (30) days from the date the notice of determination, assessment and demand for payment is mailed to the taxpayer. ~~Any such A written protest~~ petition shall ~~must be submitted under oath by the taxpayer or the taxpayer's authorized representative and must include: identify the name, mailing address, phone number, electronic mail address, and sales and use tax license number of the taxpayer; the amount of tax disputed and the tax periods in dispute; a statement of the facts and laws on which the protest is based; the taxpayer's requested change; and whether the taxpayer is requesting a hearing or a decision after review of submitted documents.~~ the basis for the protest and be given under oath by the taxpayer or the taxpayer's authorized representative. Such protest may include a request for a hearing. It shall also include a physical, post office box or email address to which the taxpayer wishes the Financial Officer's written order issued in paragraph (e) below to be sent when issued. In lieu of a hearing, the taxpayer and the City may agree to file written briefs and such other written materials or documents relating to the matter and request the Financial Officer to consider the appeal without a hearing. The submission of written material shall be considered for all purposes the same as a request for and submission of testimony and material at a hearing.

(e) In response to the written protest, if a hearing was requested, the Financial Officer shall notify the taxpayer in writing of the time and place of the hearing. The hearing is informal and may be conducted in person or remotely, pursuant to § 25-220 of this Article.

After such hearing, or after a consideration of the facts and figures contained in the protest if no hearing is requested documents if no hearing is requested, the Financial Officer shall make such written order in will provide a decision in writing on the matter as he or she they deems just and proper and shall furnish must provide a copy of that order decision to the taxpayer by first class or certified mail or by email as directed in the protest filed by the taxpayer.

Section 16. Section 25-189 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 25-189. Tax constitutes lien.

(a) The sales and use tax imposed by this Article, together with all penalties, interest, collection costs and other charges pertaining thereto, is a first and prior lien superior to all other liens or claims upon the tangible personal property sold, purchased, stored, used, distributed or consumed, goods, stock-in-trade and business furniture and fixtures, tools, equipment, cash bank accounts, and accounts receivable in which the retailer has an ownership interest or used by the retailer under lease, lease sale, title retaining contracts, or other contract arrangement, except for goods that have been purchased in the ordinary course of business by retail purchasers and such lien takes priority over other liens or claims of whatsoever kind or nature on such property.

. . .

(c) Whenever the business or property of any taxpayer is placed in receivership, bankruptcy, seized under distraint for nonpayment of property taxes or an assignment is made for the benefit of creditors, all taxes, penalties, interest, collection costs, and other charges imposed by this Article and for which the taxpayer is in any way liable under this Article are a prior and preferred claim against all the property of the taxpayer, except as to preexisting claims or liens of a bona fide mortgagee, pledgee, judgment creditor or purchaser whose rights have attached prior to the filing of the notice of lien provided for in (d) below, on the property of the taxpayer, other than the goods, stock-in-trade and business fixtures of such taxpayer. No sheriff, receiver, assignee or other officer shall sell the property of any taxpayer subject to the provisions of this Article under process or order of any court without first ascertaining from the Financial Officer the amount of tax deficiency due and payable under this Article. If there is any such tax deficiency owing or unpaid, it is the duty of such officer to first pay that amount out of the proceeds of such sale before paying any monies to judgment creditors or other claimants, except that the officer may pay costs of the proceedings and other preexisting liens or claims as provided in this Subsection (c).

. . .

Section 17. Section 25-191 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 25-191. Sale of business subject to lien.

(a) Any person who sells a business or stock of goods or closes a business shall complete and file the returns required under this Article and pay any tax deficiency due within ~~twenty-one (21)~~ **thirty (30)** days of the date on which such person sold the business or stock of goods or closed the business and indicate that it is a final return, that the business is sold or closed, and the name and address of the purchaser of the business, if any.

(b) A purchaser of a business who has acquired the furniture, fixtures and/or equipment of the business shall withhold sufficient funds from the purchase money to cover the amount of the tax deficiency, imposed by this Article due and unpaid until the seller provides a receipt from the Financial Officer showing that such tax deficiency has been paid. If a tax deficiency imposed by this Article is due and unpaid after the ~~twenty-one (21)~~ **thirty (30)** day period herein provided, such purchaser of the business is personally liable for the payment of that tax deficiency to the City to the same extent as the seller of the business or stock of goods.

Section 18. Section 25-194 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 25-194. Enforcing the collection of taxes due.

(a) The Financial Officer may issue a warrant directed to any employee, agent or representative of the City or any sheriff of any county of the State, commanding such person **either** to distrain, seize and sell any personal property in which the taxpayer has an ownership interest, except such property as is exempt from the execution and sale by any statute of the State, **or to demand such person to surrender, discharge, or release amounts held in a bank account** for the payment of tax due together with interest, penalties, collection costs and other charges thereon in the following circumstances:

(1) When any assessed tax deficiency is not paid within ~~twenty-one (21)~~ **thirty (30)** days from the date of mailing of the notice of determination, assessment and demand for payment and no hearing or extension has been requested in a timely manner;

(2) When assessed tax deficiency is not paid within ~~twenty-one (21)~~ **thirty (30)** days from the date of mailing of the notice of determination, assessment and demand for payment and no appeal from such notice has been docketed within twenty-eight (28) days after such notice in a court having jurisdiction, except that if the Financial Officer finds that collection of the tax deficiency will be jeopardized during such period, the Financial Officer may immediately issue a distraint warrant;

. . .

(4) Immediately upon making a jeopardy assessment or issuing a demand for payment upon jeopardy assessment as provided in § 25-193 of this Article; or

(5) After or concurrently with the filing of a notice of lien as provided in § Subsection 25-189(d) of this Article.

(b) The Financial Officer may apply to the Judge of the City's Municipal Court for a warrant authorizing the Financial Officer to search for and seize property located within the City limits for the purpose of enforcing the collection of any tax deficiency owed under this Article. The Municipal Judge shall issue such warrant after the Financial Officer demonstrates that:

...

(2) At least one (1) of the preconditions of (a) above has been satisfied; but if a jeopardy assessment has been declared under § 25-193 of this Article, the Financial Officer must set forth the reasons that collection of the tax will be jeopardized.

(c) The procedures to be followed in issuing and executing a warrant pursuant to Subsection (b) above of this Section shall comply with the Colorado Municipal Court Rules of Procedure, Rule 241(c) and (d).

...

(g) In the case where a taxpayer has refused or neglected to pay any tax deficiency due to the City under this Article and a lien has been filed as provided in § Subsection 25-189(d) of this Article, the Financial Officer may, in addition to pursuing other collection remedies, certify the amount of the tax deficiency, together with ten (10) percent of the delinquent amount for costs of county collection, to the County Treasurer to be levied against the person's property for collection by the County in the same manner as delinquent general taxes upon such property are collected. Before certifying such amounts to the County for collection, the Financial Officer shall provide to the property owner an opportunity for a hearing to contest the authority of the City to impose and collect the tax deficiency, or the amount thereof. The Financial Officer shall mail the notice to the property owner by first class mail addressed to the last known owner of the property on the records of the County Assessor. If the Financial Officer's decision after a hearing affirms the imposition of charges, the decision shall include notice that the charges are due and payable within fourteen (14) days of the date of the decision and that, if not paid when due, they will be certified to the County Treasurer for collection, along with ten (10) percent of the charges for the cost of county collection. Whenever the Financial Officer certifies any such amounts to the County Treasurer for collection, the Financial Officer shall record notice of such certification with the county Clerk and Recorder.

Section 19. Section 25-198 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 25-198. Compromise and settlement by Financial Officer.

...

(c) Whenever a settlement by the Financial Officer results in a compromise of an assessed amount of ~~ten thousand dollars (\$10,000)~~ **twenty-five thousand dollars (\$25,000)** or more or for a potential claim the amount of which cannot be reasonably determined, a written settlement agreement between the City and the taxpayer shall be required as a condition of settlement. The fully executed settlement agreement shall be retained in the files of Financial Services together with the Financial Officer's opinion.

...

Section 20. Section 25-216 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 25-216. Review of decisions of Financial Officer.

The taxpayer may apply for a review of the decision of the Financial Officer in a hearing held pursuant to § 25-169 **of this Article**. Such review may be in the ~~a District Court or the City's Municipal Court~~ and the proceedings shall be conducted in accordance with Rule 106(a)(4) of the Colorado Rules of Civil Procedure. The review must be sought no later than twenty-eight (28) days after the date of the final decision of the Financial Officer. The taxpayer may also seek review as provided in C.R.S. § 29-2-106.1 **until June 30, 2025, and C.R.S. § 29-2-302 thereafter.**

Section 21. Section 25-220 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 25-220. Hearings to be held in City.

~~Every hearing~~ **Hearings** before the Financial Officer ~~shall be held in the City~~ **may be conducted in person in the City or remotely using remote technologies.** For purposes of this Section, *remote technology* means telephonic, online platforms or other technological methods or a combination thereof, used to conduct or participate in a hearing without being in the same physical location as other participants. The Financial Officer will determine, giving consideration to fairness, justice, and efficiency, if a hearing will be conducted in person or remotely.

Section 22. Section 25-226 of the Code of the City of Fort Collins is hereby deleted in its entirety and held in reserve.

~~Sec. 25-226. Notice of sales and use tax ordinance amendment.~~

~~(a) — In order to initiate a central register of sales and use tax ordinances for municipalities that administer local sales tax collection, the Financial Officer of the City shall file with the Colorado Municipal League prior to the effective date of this Section a copy of the City sales and use tax ordinance reflecting all provisions in effect on the effective date of this Section.~~

~~(b) — In order to keep current the central register of sales and use tax ordinances for municipalities that administer local sales tax collection, the Financial Officer of the City shall file with the Colorado Municipal League prior to the effective date of any amendment a copy of each sales and use tax ordinance amendment enacted by the City.~~

~~(c) — Failure of the City to file such ordinance or ordinance amendment pursuant to this Section shall not invalidate any provision of the sales and use tax ordinance or any amendment thereto.~~

Section 23. Section 25-281(c) of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 25-281. Compromise and settlement by financial officer.

...

(c) Whenever a settlement by the Financial Officer results in a compromise of an assessed amount of ~~two thousand five hundred dollars (\$2,500.)~~ **twenty-five thousand dollars (\$25,000.)** or more or for a potential claim the amount of which cannot be reasonably determined, a written settlement agreement between the City and the taxpayer shall be required as a condition of settlement. The fully executed settlement agreement shall be retained in the files of Financial Services together with the Financial Officer's opinion.

...

Introduced, considered favorably on first reading on August 19, 2025, and approved on second reading for final passage on September 2, 2025.

Mayor

ATTEST:

City Clerk

Effective Date: September 12, 2025
Approving Attorney: Dianne Criswell

Exhibit: None