

ORDINANCE NO. 138, 2025
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AMENDING ARTICLE IV OF CHAPTER 25 OF THE CODE OF
THE CITY OF FORT COLLINS TO INCREASE THE THRESHOLD
TO REQUIRE A WRITTEN SETTLEMENT AGREEMENT FOR
LODGING TAX

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 February 21, 1984, the City Council, in the exercise of its home rule taxing powers, adopted Ordinance No. 20, 1984, adding a new chapter to the City Code to levy, collect and enforce a tax on the price of lodging accommodations provided in the City (the "Lodging Tax Code").

C. Provisions of the Lodging Tax Code relating to tax are currently found in Article IV of Chapter 25 of the City Code, as amended since its adoption in 1984.

D. City staff reviewed the provisions of the Lodging Tax Code and recommended a further amendment to increase the threshold in Subsection 25-281(c) of the Code, requiring a written settlement agreement, from \$10,000 to \$25,000 for the purpose of efficiency, saving staff time across several service areas.

F. City Council hereby finds that amending the Lodging Tax 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 that 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