

**TOWN OF GRAND LAKE, COLORADO  
ORDINANCE NO. 05- 2023**

**AN ORDINANCE AMENDING SECTION 4-3-33 OF THE GRAND LAKE  
MUNICIPAL CODE REGARDING BUILDING AND USE TAX**

**WHEREAS**, the Board of Trustees (the “Board”) of the Town of Grand Lake, Colorado, pursuant to Colorado Statute is vested with the authority of administering the affairs of the Town of Grand Lake, Colorado (the “Town”); and

**WHEREAS**, Section 4-3-33 of the Grand Lake Municipal Code (the “Code”) sets for payments required and refunding procedures for building and construction use tax (the “Taxes”); and amending

**WHEREAS**, the Code currently proscribes the holding of such Taxes outside the Town’s general fund until 90 days after the issuance of a Certificate of Occupancy or the closing of any building permit for failure to commence building; and

**WHEREAS**, the Town auditor has recommended such funds be transferred directly to the General Fund without such 90 day waiting period after the issuance of a Certificate of Occupancy or the termination of a building permit for failure to commence building; and

**WHEREAS**, Town staff believe it is a more efficient and expedient use of Town time and resources to directly transfer such amounts into the General Fund; and

**WHEREAS**, Town staff believe amending the Code to directly transfer the Taxes into the Town general fund will not negatively effect the Town’s procedures.

**NOW THEREFORE BE IT ORDAINED BY THE BOARD OF TRUSTEES OF  
THE TOWN OF GRAND LAKE, COLORADO AS FOLLOWS:**

1. Section 4-3-33 of the Grand Lake Municipal Code is hereby amended with by removing the ~~striketrough language~~ to read in its entirety as follows:

**4-3-33 Payment Required and Refunding Procedures for Building and Construction Use Tax.**

- (A) The use tax imposed by Section 4-3-32 of this Article shall be paid by estimate through payment to the Town of any amount equal to five percent (5%) of fifty percent (50%) of the total cost of the project in which the taxable personal property is used as indicated on the building permit application and shall be paid at the time of such building permit issuance.
  1. Provided, however, the Town shall refund any overpayment of such tax without interest upon presentation of evidence of actual purchase made if the total cost of the

project was less than estimated as evidenced by a complete accounting of project costs. It is the duty of the payee to provide the necessary documentation demonstrating such error.

2. The Town may conduct an audit of the final project costs and impose additional use tax if it is determined that the original total cost estimate was incorrect.
- (B) The Town will refund any overpayment of the construction use tax due to an overestimation of the total cost of the project. Any refunds requested due to erroneous payment of sales tax must follow the procedures as provided by the Colorado Department of Revenue and Colorado State Statute.
1. The applicant of the building permit will have ninety (90) days from the time the Town or its authorized representative has issued the Certificate of Occupancy or equivalent document signifying final inspection for the work done under the building permit in which to present to the Town the evidence of actual purchases made if a refund is requested due to the cost of the project being less than estimated.
  - ~~2. At the end of said ninety (90) days, and without further notice to the applicant of the building permit, the Town shall cause any and all use tax monies not refunded to this applicant to be transferred to the General Fund of the Town.~~
- (C) If the work for which the building permit has been issued does not start and the building permit is closed due to failure of the project starting within six (6) months of permit issuance, the Town shall refund the use tax paid by the applicant. No interest will be paid on the use tax which is being refunded.
1. Work is considered started when there is ground disturbance for foundation, footers, or posts, any physical change to the structure occurs, or any required inspection, except the pre-site inspection, by Town Staff or the Town's Building Department is conducted.

~~(D) Once a building permit is closed for any reason other than failure to start, all use tax monies not refunded to the applicant shall be transferred to the General Fund of the Town.~~

2. Severability: 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 of the remaining portions of this Ordinance. The Board of Trustees declares that it would have passed this Ordinance and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

3. Repeal: Existing Ordinances or parts of Ordinances covering the same matters as embraced in this Ordinance are hereby repealed and all Ordinances or parts of Ordinances inconsistent with the provisions of this Ordinance are hereby repealed, except that this repeal shall not affect or prevent the prosecution or punishment of any person for any act done or committed in violation of any Ordinance hereby repealed prior to the taking effect of this Ordinance.

**INTRODUCED, PASSED AND ADOPTED AT A REGULAR MEETING OF THE BOARD  
OF TRUSTEES OF THE TOWN OF GRAND LAKE THIS 24th DAY OF APRIL, 2023.**

Votes Approving: \_\_\_\_\_  
Votes Opposed: \_\_\_\_\_  
Absent: \_\_\_\_\_  
Abstained: \_\_\_\_\_

**ATTEST:**

**BOARD OF TRUSTEES OF THE  
TOWN OF GRAND LAKE, COLORADO**

\_\_\_\_\_  
Alayna Carrell  
Town Clerk

By: \_\_\_\_\_  
Steve Kudron  
Mayor