

**CITY OF GREELEY, COLORADO**  
**ORDINANCE NO. 07, 2021**

**AN ORDINANCE AMENDING CHAPTERS 4.04 AND 4.08 OF THE GREELEY MUNICIPAL CODE REGARDING ECONOMIC NEXUS AND THE OBLIGATION OF REMOTE SELELRS TO COLLECT AND REMIT SALES TAX**

WHEREAS, the City of Greeley, Colorado, (the “City”), is a home rule municipality, organized and existing under Article XX, Section 6 of the Colorado Constitution; and

WHEREAS, pursuant to Article XX, Section 6 of the Colorado Constitution, the right to enact, administer and enforce sales taxes is clearly within the constitutional grant of power to the City and is necessary to raise revenue with which to conduct the affairs and render the services performed by the City; and

WHEREAS, pursuant to such authority, the City has adopted and enacted Chapters 4.04 and 4.08 of the City Code imposing a sales and use tax (the “Sales Tax Code”), under which City sales tax is levied on all sales and purchases of tangible personal property or taxable services at retail unless prohibited, as applicable to the provision of this Ordinance, under the Constitution or laws of the United States; and

WHEREAS, the United States Supreme Court in *South Dakota v. Wayfair*, 138 S.Ct. 2080 (2018), overturned prior precedent and held that a State is not prohibited by the Commerce Clause from requiring a retailer to collect sales tax based solely on the fact that such retailer does not have a physical presence in the State (“Remote Sales”); and

WHEREAS, based upon the *Wayfair* decision, under the Constitution and laws of the United States the retailer’s obligation to collect and remit tax due and owing on Remote Sales is no longer based on the retailer’s physical presence in the jurisdiction, and the City’s Sales Tax Code needs to be amended to clearly reflect such obligation consistent with said decision; and

WHEREAS, the delivery of tangible personal property, products, or services into the City relies on and burdens local transportation systems, emergency and police services, waste disposal, utilities and other infrastructure and services; and

WHEREAS, the failure to tax remote sales creates incentives for businesses to avoid a physical presence in the State and its respective communities, resulting in fewer jobs and increasing the share of taxes to those consumers who buy from competitors with a physical presence in the State and its municipalities; and

WHEREAS, it is appropriate for Colorado municipalities to adopt uniform definitions within their sales tax codes to encompass marketplace facilitators, marketplace sellers, and multichannel sellers that do not have a physical presence in the City, but that still have a taxable connection with the City; and

WHEREAS, the goal of adopting this ordinance is to join in on the simplification efforts of all the self-collecting home rule municipalities in Colorado; and

WHEREAS, this ordinance provides a safe harbor to those who transact limited sales within the City; and

WHEREAS, absent such amendment, the continued failure of retailers to voluntarily apply and remit sales tax owed on remote sales exposes the municipality to unremitted taxes and permits an inequitable exception that prevents market participants from competing on an even playing field; and

WHEREAS, the Council adopts this Ordinance with the intent to address tax administration, and, in connection with, establish economic nexus for retailers or vendors without physical presence in the State and require the retailer or vendor to collect and remit sales tax for all sales made within the marketplace;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF GREELEY, COLORADO:**

Section 1: That Section 4.04.015 of Chapter 4.04, Retail Sales and Use Tax, of the Greeley Municipal Code, a copy of which is attached hereto, be amended in part to add or amend the following definitions in alphabetical sequence to read as follows:

**4.04.015 – Definitions.**

The following words and phrases as used in this Chapter shall have the following meanings:

*Economic Nexus* means the connection between the City and a person not having a physical nexus in the State of Colorado, which connection is established when the person or marketplace facilitator makes retail sales into the City.

(1) In the previous calendar year, the person, which includes a marketplace facilitator, has made retail sales into the state exceeding the amount specified in C.R.S. § 39-26-102(3)(c); or



(2) In the current calendar year, ninety (90) days has passed following the month in which the person, which includes a marketplace facilitator, has made retail sales into the state exceeding the amount specified in C.R.S. § 39-26-102(3)(c).

This definition does not apply to any person who is doing business in this state but otherwise applies to any other person.

*Engaged in Business in the City* means performing or providing services or selling, leasing, renting, delivering or installing tangible personal property for storage, use or consumption, within the City. Engaged in business in the City includes, but is not limited to, any one (1) of the following activities by a person:

- (1) Directly, indirectly, or by a subsidiary maintains a building, store, office, salesroom, warehouse, or other place of business within the taxing jurisdiction;
- (2) Sends one (1) or more employees, agents or commissioned sales persons into the taxing jurisdiction to solicit business or to install, assemble, repair, service, or assist in the use of its products, or for demonstration or other reasons;
- (3) Maintains one (1) or more employees, agents or commissioned sales persons on duty at a location within the taxing jurisdiction;
- (4) Owns, leases, rents or otherwise exercises control over real or personal property within the taxing jurisdiction; ~~or~~
- (5) A retailer or vendor in the state of Colorado that Makes more than one (1) delivery into the taxing jurisdiction within a twelve (12) month period ~~by any means other than a common carrier; or~~
- (6) Makes retail sales sufficient to meet the definitional requirements of economic nexus as set forth in this Section.

*Marketplace* means a physical or electronic forum, including, but not limited to, a store, a booth, an internet website, a catalog, or a dedicated sales software application, where tangible personal property, taxable products, or taxable services are offered for sale.

*Marketplace Facilitator*

(1) Means a person who:

- a. Contracts with a marketplace seller or multichannel seller to facilitate for consideration, regardless of whether or not the consideration is deducted as fees from the transaction, the sale of the marketplace seller's tangible personal property, products, or services through the person's marketplace;

b. Engages directly or indirectly, through one or more affiliated persons, in transmitting or otherwise communicating the offer or acceptance between a purchaser and the marketplace seller or multichannel seller; and

c. Either directly or indirectly, through agreements or arrangements with third parties, collects payment from the purchaser on behalf of the seller.

(2) Marketplace Facilitator does not include a person that exclusively provides internet advertising services or lists products for sale, and that does not otherwise meet this definition.

Marketplace Seller means a person, regardless of whether or not the person is engaged in business in the city, which has an agreement with a marketplace facilitator and offers for sale tangible personal property, products, or services through a marketplace owned, operated, or controlled by a marketplace facilitator.

Multichannel Seller means a retailer that offers for sale tangible personal property, commodities, or services through a marketplace owned, operated, or controlled by a marketplace facilitator, and through other means.

Retailer or Vendor means any person selling, leasing, renting, or granting a license to use tangible personal property or services at retail. The terms “Retailer” and “vendor” shall include, but isare not limited to, any:

(1) Auctioneer;

(2) Salesperson, representative, peddler or canvasser, who makes sales as a direct or indirect agent of or obtains such property or services sold from a dealer, distributor, supervisor or employer;

(3) Charitable organization or governmental entity which makes sales of tangible personal property to the public, notwithstanding the fact that the merchandise sold may have been acquired by gift or donation or that the proceeds are to be used for charitable or governmental purposes;

(4) Retailer-contractor, when acting in the capacity of a seller of building supplies, construction materials, and other tangible personal property;

(5) Marketplace facilitator, marketplace seller, or multichannel seller.

Section 2: That Chapter 4.04, Retail Sales and Use Tax, of the Greeley Municipal Code be amended by adding a new Section 4.04.020 to read as follows:

**4.04.020 - Marketplace Sales.**



(a) Obligation to collect and remit tax.

(1) A marketplace facilitator engaged in business in the City is required to collect and remit sales tax on all taxable sales made by the marketplace facilitator, or facilitated by it for marketplace sellers or multichannel sellers to customers in the City, whether or not the marketplace seller for whom sales are facilitated would have been required to collect sales tax had the sale not been facilitated by the marketplace facilitator.

(2) A marketplace facilitator shall assume all the duties, responsibilities, and liabilities of a vendor under Section 4.04.015. Marketplace facilitators shall be liable for the taxes collected from marketplace sellers or multichannel sellers. The City may recover any unpaid taxes, penalties, and interest from the marketplace facilitator that is responsible for collecting on behalf of marketplace sellers or multichannel sellers.

(3) The liabilities, obligations, and rights set forth under this article are in addition to any duties and responsibilities of the marketplace facilitator has under this article if it also offers for sale tangible personal property, products, or services through other means.

(4) A marketplace seller, with respect to sales of tangible personal property, products, or services made in or through a marketplace facilitator's marketplace, does not have the liabilities, obligations, or rights of a retailer under this article if the marketplace seller can show that such sale was facilitated by a marketplace facilitator:

a. With whom the marketplace seller has a contract that explicitly provides that the marketplace facilitator will collect and remit sales tax on all sales subject to tax under this article; or

b. From whom the marketplace seller requested and received in good faith a certification that the marketplace facilitator is registered to collect sales tax and will collect sales tax on all sales subject to tax under this article made in or through the marketplace facilitator's marketplace.

(5) If a marketplace seller makes a sale that is not facilitated by a licensed marketplace facilitator in a marketplace, the marketplace seller is subject to all of the same licensing, collection, remittance, filing and recordkeeping requirements as any other retailer.

(b) Auditing. With respect to any sale, the City shall solely audit the marketplace facilitator for sales made by marketplace sellers or multichannel sellers but facilitated by the marketplace. The City will not audit or otherwise assess tax against marketplace sellers or multichannel sellers for sales facilitated by a marketplace facilitator.

Section 3: That Section 4.04.060 contained in Chapter 4.04, Retail Sales and Use Tax, a copy of which is attached hereto, be amended to read as follows:

**4.04.060 – Sales tax levied.**

There is levied and there shall be collected and paid a sales tax in the amount stated in Section 4.04.145 as follows:

- (1) On the purchase price paid or charged for tangible personal property leased, purchased or sold at retail by every person engaged in business ~~exercising a taxable privilege~~ in the City by the sale or lease of such property, except those specifically exempted;
- (2) On the total amount due under a lease or contract concerning tangible personal property when the right to possession or use of the tangible personal property is granted therein and such transfer of possession would be taxable under this Chapter if an outright sale were made;
- (3) On the purchase price paid or charged for television and entertainment services sold, purchased, leased, rented, furnished or used;
- (4) Upon the amount paid for the use of facilities and accommodations of a hotel, apartment hotel, cottage camp, motor court, trailer park or camp operated for the accommodations of the general public;
- (5) Upon telecommunications services, except carrier access services and interstate, private communication services as designated in Section 4.04.015 whether furnished by public or private corporations or enterprises for all interstate, intrastate and international telecommunications services originating from or received on telecommunications equipment in the City if the charge for the service is billed or charged to an apparatus, telephone or account in the City, to a customer location in the City, or to a person residing in the City, without regard to where the bill for such service is physically received;
- (6) For gas and electric service or gas and electricity furnished and sold for domestic or commercial consumption and not for resale;
- (7) Upon the amount paid for all meals, food and beverage and cover charges, if any, furnished in or from any restaurant, cafe, hotel, drugstore, nightclub, bar and lounge, tavern, club, resort, stand or vehicle, or other such place at which meals, food or beverage are regularly sold to the public for consumption either on or off the business premises;
- (8) For steam or other heating service furnished and sold for domestic or commercial use;



(9) Upon marketplace sales, pursuant to Section 4.04.020.

Section 4: That Section 4.08.015 contained in Chapter 4.08, Public Accommodations Tax, a copy of which is attached hereto, be amended to update the definition of ‘Lodging’ and add a definition for ‘Vendor’ in alphabetical sequence to read as follows:

**4.08.015 – Definitions.**

When not clearly otherwise indicated by context, the following words and phrases, as used in this Chapter, shall have the following meanings:

*Lodging* shall mean the transaction of furnishing rooms or accommodations by any person, partnership, association, corporation, estate, receiver, trustee, assignee, lessee, marketplace facilitator, marketplace seller, or multichannel seller engaged in business in the City as those terms are defined in Section 4.04.015 or any person acting in a representative capacity or any other combination of individuals of whatever name known to a person or persons who, for a consideration, uses, possesses or has the right to use or possess any room or rooms in a hotel, apartment, hotel, lodging house, motor hotel, guest house, guest ranch, mobile home, auto camps, trailer courts and parks, under any concession, permit, right of access, license to use or other agreement, or otherwise.

*Vendor* means a person or marketplace facilitator, marketplace seller, or multichannel seller engaged in business in the City as those terms are defined in Section 4.04.015 making sales to a purchaser in the City of the taxable service of lodging.

Section 5: No obligation to collect the sales and use tax required by this Ordinance may be applied retroactively. Responsibilities, duties and liabilities described in Section 2 of a marketplace facilitator, marketplace seller, or multichannel seller begin upon licensure or when the municipal sales taxes were first collected from taxable sales made to retail customers prior to licensure.

Section 6: If any provision of this ordinance, or the application of such provision to any person or circumstance, is held to be unconstitutional, then the remainder of this ordinance, and the application of the provisions of such to any person or circumstance, shall not be affected thereby.

Section 7: This ordinance shall become effective on the first day of the month that is at least thirty (30) days after date of its adoption.

PASSED AND ADOPTED, SIGNED AND APPROVED THIS 2nd DAY OF FEBRUARY, 2021.

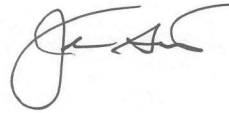
ATTEST



\_\_\_\_\_  
City Clerk



CITY OF GREELEY, COLORADO



\_\_\_\_\_  
Mayor



**EXHIBIT A**  
**ORDINANCE AMENDING CHAPTERS 4.04 AND 4.08 OF THE GREELEY  
MUNICIPAL CODE REGARDING ECONOMIC NEXUS AND THE OBLIGATION OF  
REMOTE SELELRS TO COLLECT AND REMIT SALES TAX  
GREELEY MUNICIPAL CODE**

4.04.015 - Definitions.

The following words and phrases as used in this Chapter shall have the following meanings:

*Agricultural producer* means a person regularly engaged in the business of using land for the production of commercial crops or commercial livestock. The term includes farmers, market gardeners, commercial fruit growers, livestock breeders, dairymen, poultrymen, and other persons similarly engaged, but does not include a person who breeds or markets animals, birds, or fish for domestic pets nor a person who cultivates, grows, or harvests plants or plant products exclusively for that person's own consumption or casual sale.

*Aircraft* means a device that is used or intended to be used for flight in the air.

*Aircraft part* means any tangible personal property that is intended to be permanently affixed or attached as a component part of an aircraft.

*Aircraft simulator* means a flight simulator training device (FSTD) as defined in Part I of Title 14 of the Code of Federal Regulations that is qualified in accordance with Part 60 of Title 14 of the Code of Federal Regulations for use in a Federal Aviation Administration Approved Flight Training Program.

*Aircraft simulator part* means any tangible personal property that is originally designed and intended to be permanently affixed or attached as a component part of an aircraft, and which will also function when it is permanently affixed or attached as a component part of an aircraft simulator.

*Airline company* means any operator who engages in the carriage by aircraft of persons or property as a common carrier for compensation or hire, or the carriage of mail, or any aircraft operator who operates regularly between two (2) or more points and publishes a flight schedule. "Airline company" shall not include operators whose aircraft are all certified for a gross takeoff weight of twelve thousand five hundred (12,500) pounds or less and who do not engage in scheduled service or mail carriage service.

*Auction* means any sale where tangible personal property is sold by an auctioneer who is either the agent for the owner of such property or is in fact the owner thereof.

*Automotive vehicle* means any vehicle or device in, upon, or by which any person or property is or may be transported or drawn upon a public highway, or any device used or designed for aviation or flight in the air. "Automotive vehicle" includes, but is not limited to, motor vehicles, trailers, or semi-trailers. "Automotive vehicle" shall not include devices moved by human power or used exclusively upon stationary rails or tracks.

*Business* means all activities engaged in or caused to be engaged in with the object of gain, benefit, or advantage, direct or indirect.

*Candy* means a preparation of sugar, honey, or other natural or artificial sweeteners in combination with chocolate, fruit, nuts, or other ingredients or flavorings in the form of bars,



drops, or pieces. Candy does not include any preparation containing flour, products that require refrigeration or marijuana infused products.

*Carrier access services* means the services furnished by a local exchange company to its customers who provide telecommunications services which allow them to provide such telecommunications services.

*Charitable organization* means any entity which: (1) has been certified as a nonprofit organization under Section 501(c)(3) of the Internal Revenue Code, and (2) is an organization which exclusively, and in a manner consistent with existing laws and for the benefit of an indefinite number of persons or animals, freely and voluntarily ministers to the physical, mental, or spiritual needs of persons or animals, and thereby lessens the burden of government.

*City or Town* means the municipality of City of Greeley.

*Coin operated device* means any device operated by coins or currency or any substitute therefor.

*Coins* means monetized bullion or other forms of money manufactured from gold, silver, platinum, palladium or other such metals now, in the future or heretofore designated as a medium of exchange under the laws of this State, the United States or any foreign nation.

*Collection costs* shall include, but is not limited to, all costs of audit, assessment, bank fees, hearings, execution, lien filing, distraint, litigation, locksmith fees, auction fees and costs, prosecution and attorney fees.

*Commercial packaging materials* means containers, labels, and/or cases, that become part of the finished product to the purchaser, used by or sold to a person engaged in manufacturing, compounding, wholesaling, jobbing, retailing, packaging, distributing or bottling for sale, profit or use, and is not returnable to said person for reuse. "Commercial packaging materials" does not include commercial shipping materials.

*Commercial shipping materials* means materials that do not become part of the finished product to the purchaser which are used exclusively in the shipping process. "Commercial shipping materials" include but are not limited to containers, labels, pallets, banding material and fasteners, shipping cases, shrink wrap, bubble wrap or other forms of binding, padding or protection.

*Community organization* means a nonprofit entity organized and operated exclusively for the promotion of social welfare, primarily engaged in promoting the common good and general welfare of the community, so long as: (1) no part of the net earnings of which inures to the benefit of any private shareholder or individual; (2) no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation; and (3) which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office.

*Construction equipment* means any equipment, including mobile machinery and mobile equipment, which is used to erect, install, alter, demolish, repair, remodel, or otherwise make improvements to any real property, building, structure or infrastructure.

*Construction materials* means tangible personal property which, when combined with other tangible personal property, loses its identity to become an integral and inseparable part of a structure or project including public and private improvements. "Construction materials" include,



but are not limited to, such things as: asphalt, bricks, builders' hardware, caulking material, cement, concrete, conduit, electric wiring and connections, fireplace inserts, electrical heating and cooling equipment, flooring, glass, gravel, insulation, lath, lead, lime, lumber, macadam, millwork, mortar, oil, paint, piping, pipe valves and pipe fittings, plaster, plumbing fixtures, putty, reinforcing mesh, road base, roofing, sand, sanitary sewer pipe, sheet metal, site lighting, steel, stone, stucco, tile, trees, shrubs and other landscaping materials, wall board, wall coping, wallpaper, weather stripping, wire netting and screen, water mains and meters, and wood preserver. The above materials, when used for forms, or other items which do not remain as an integral and inseparable part of completed structure or project are not construction materials.

*Consumer* means any person in the City who purchases, uses, stores, distributes or otherwise consumes tangible personal property or taxable services, purchased from sources inside or outside the City.

*Contract auditor* means a duly authorized agent designated by the taxing authority and qualified to conduct tax audits on behalf of and pursuant to an agreement with the municipality.

*Contractor* means any person who shall build, construct, reconstruct, alter, expand, modify, or improve any building, dwelling, structure, infrastructure, or other improvement to real property for another party pursuant to an agreement. For purposes of this definition, "contractor" also includes subcontractor.

*Cover charge* means a charge paid to a club or similar entertainment establishment which may, or may not, entitle the patron paying such charge to receive tangible personal property, such as food and/or beverages.

*Data processing equipment* means any equipment or system of equipment used in the storage, manipulation, management, display, reception or transmission of information.

*Digital product* means an electronic product including, but not limited to: (1) "digital images" which means works that include, but are not limited to, the following that are generally recognized in the ordinary and usual sense as "photographs," "logos," "cartoons," or "drawings," (2) "digital audio-visual works" which means a series of related images which, when shown in succession, impart an impression of motion, together with accompanying sounds, if any, (3) "digital audio works" which means works that result from the fixation of a series of musical, spoken, or other sounds, including ringtones. For purposes of the definition of "digital audio works", "ringtones" means digitized sound files that are downloaded onto a device and that may be used to alert the customer with respect to a communication, and (4) "digital books" which means works that are generally recognized in the ordinary and usual sense as "books".

*Distribution* means the act of distributing any article of tangible personal property for use or consumption, which may include, but not be limited to, the distribution of advertising gifts, shoppers guides, catalogs, directories, or other property given as prizes, premiums, or for goodwill or in conjunction with the sales of other commodities or services.

*Dual residency* means those situations including, but not limited to, where a person maintains a residence, place of business or business presence, both within and outside the City. A person shall be deemed to have established a legitimate residence, place of business or business presence outside of the City for purposes of dual residency if the person has a physical structure owned, leased or rented by such person which is designated by street number or road location outside of the City, has within it a telephone or telephones in the name of such person and



conducts business operations on a regular basis at such location in a manner that includes the type of business activities for which the business (person), as defined in this Code, is organized.

*Dwelling unit* means a building or any portion of a building designed for occupancy as complete, independent living quarters for one (1) or more persons, having direct access from the outside of the building or through a common hall and having living, sleeping, kitchen and sanitary facilities for the exclusive use of the occupants.

*Engaged in business in the City* means performing or providing services or selling, leasing, renting, delivering or installing tangible personal property for storage, use or consumption, within the City. Engaged in business in the City includes, but is not limited to, any one (1) of the following activities by a person:

- a. Directly, indirectly, or by a subsidiary maintains a building, store, office, salesroom, warehouse, or other place of business within the taxing jurisdiction;
- b. Sends one (1) or more employees, agents or commissioned sales persons into the taxing jurisdiction to solicit business or to install, assemble, repair, service, or assist in the use of its products, or for demonstration or other reasons;
- c. Maintains one (1) or more employees, agents or commissioned sales persons on duty at a location within the taxing jurisdiction;
- d. Owns, leases, rents or otherwise exercises control over real or personal property within the taxing jurisdiction; or
- e. Makes more than one (1) delivery into the taxing jurisdiction within a twelve (12) month period by any means other than a common carrier.

*Factory built housing* means a manufactured home or modular home.

*Farm closeout sale* means full and final disposition of all tangible personal property previously used by a farmer or rancher in farming or ranching operations which are being abandoned.

*Farm equipment* means any farm tractor, as defined in Section 42-1-102(33), C.R.S., any implement of husbandry, as defined in Section 42-1-102(44), C.R.S., and irrigation equipment having a per unit purchase price of at least one thousand dollars (\$1,000.00). "Farm equipment" also includes, regardless of purchase price, attachments and bailing wire, binders twine and surface wrap used primarily and directly in any farm operation. "Farm equipment" also includes, regardless of purchase price, parts that are used in the repair or maintenance of the farm equipment described in this paragraph, all shipping pallets, crates, or aids paid for by a farm operation, and aircraft designed or adapted to undertake agricultural applications. "Farm equipment" also includes, regardless of purchase price, dairy equipment. Except for shipping pallets, crates or aids used in the transfer or shipping of agricultural products, "farm equipment" does not include: (1) vehicles subject to the registration requirements of Section 42-3-103, C.R.S., regardless of the purpose for which such vehicles are used; (2) machinery, equipment, materials, and supplies used in a manner that is incidental to a farm operation; (3) maintenance and janitorial equipment and supplies; and (4) tangible personal property used in any activity other than farming, such as office equipment and supplies and equipment and supplies used in the sale or distribution of farm products, research, or transportation.



*Farm operation* means the production of any of the following products for profit, including, but not limited to, a business that hires out to produce or harvest such products: (1) agricultural, viticultural, fruit, and vegetable products; (2) livestock; (3) milk; (4) honey; and (5) poultry and eggs.

*Finance Director* means the Finance Director of Greeley or such other person designated by the municipality; Finance Director shall also include such person's designee.

*Food for home consumption* means food for domestic home consumption as defined in 7 U.S.C. sec. 2012(k)(2014), as amended, for purposes of the supplemental nutrition assistance program, or any successor program, as defined in 7 U.S.C. sec. 2012(t), as amended; except that "food" does not include carbonated water marketed in containers; chewing gum; seeds and plants to grow foods; prepared salads and salad bars; packaged and unpackaged cold sandwiches; deli trays; and hot or cold beverages served in unsealed containers or cups that are vended by or through machines or non-coin-operated coin-collecting food and snack devices on behalf of a vendor.

*Garage sales* means sales of tangible personal property, except automotive vehicles, occurring at the residence of the seller, where the property to be sold was originally purchased for use by members of the household where such sale is being conducted. The term includes, but is not limited to, yard sales, estate sales, and block sales.

*Gross sales* means the total amount received in money, credit, property or other consideration valued in money for all sales, leases, or rentals of tangible personal property or services.

*Internet access services* means services that provide or enable computer access by multiple users to the internet, but shall not include that portion of packaged or bundled services providing phone or television cable services when the package or bundle includes the sale of internet access services.

*Internet subscription service* means software programs, systems, data and applications available online through rental, lease or subscription, that provide information and services including, but not limited to, data linking, data research, data analysis, data filtering or record compiling.

*License* means a City of Greeley business license.

*Linen services* means services involving the provision and cleaning of linens, including but not limited to rags, uniforms, coveralls and diapers.

*Machinery* means any apparatus consisting of interrelated parts used to produce an article of tangible personal property. The term includes both the basic unit and any adjunct or attachment necessary for the basic unit to accomplish its intended function.

*Manufactured home* means any preconstructed building unit or combination of preconstructed building units, without motive power, where such unit or units are manufactured in a factory or at a location other than the residential site of the completed home, which is designed and commonly used for occupancy by persons for residential purposes, in either temporary or permanent locations, and which unit or units are not licensed as a vehicle.

*Manufacturing* means the operation or performance of an integrated series of operations which 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 manufacturer. The change in form, composition or character must result in a different product having a distinctive name, character or use from the raw or prepared materials.

*Medical marijuana* means marijuana acquired, possessed, cultivated, manufactured, delivered, transported, supplied, sold, or dispensed to a person who qualifies as a patient with a debilitating medical condition(s) under Article XVIII, Section 14, of the Colorado Constitution, and which person holds a valid "registry identification card" issued by the State of Colorado pursuant to Colorado Constitution, Article XVIII, Section 14.

*Mobile home* means any wheeled vehicle having an overall width not exceeding eight (8) feet and an overall length excluding towing gear and bumpers of not less than twenty-six (26) feet and not more than thirty-two (32) feet, without motive power, which is designed and generally and commonly used for occupancy by persons for residential purposes, in either temporary or permanent locations, and which may occasionally be drawn over the public highways by a motor vehicle.

*Mobile machinery and self-propelled construction equipment* means those vehicles, self-propelled or otherwise, which are not designed primarily for the transportation of persons or cargo over the public highways, and those motor vehicles which may have originally been designed for the transportation of persons or cargo over the public highways, and those motor vehicles which may have originally been designed for the transportation of persons or cargo but which have been redesigned or modified by the mounting thereon of special equipment or machinery, and which may be only incidentally operated or moved over the public highways. This definition includes but is not limited to wheeled vehicles commonly used in the construction, maintenance, and repair of roadways, the drilling of wells, and the digging of ditches.

*Modular home* means any structure that consists of multiple sections fabricated, formed or assembled in manufacturing facilities for installation and assembly at the building site, and is constructed to the building codes adopted by the State Division of Housing, created in Section 24-32-706, C.R.S., and is designed to be installed on a permanent foundation.

*Motor fuel* means gasoline, casing head or natural gasoline, benzol, benzene and naphtha, gasohol and any other liquid prepared, advertised, offered for sale, sold for use or used or commercially usable in internal combustion engines for the generation of power for the propulsion of motor vehicles upon the public highways. The term does not include fuel used for the propulsion or drawing of aircraft or railroad cars or railroad locomotives.

*Newspaper* means a publication, printed on newsprint, intended for general circulation, and published regularly at short intervals, containing information and editorials on current events and news of general interest. The term newspaper does not include: magazines, trade publications or journals, credit bulletins, advertising inserts, circulars, directories, maps, racing programs, reprints, newspaper clipping and mailing services or listings, publications that include an updating or revision service, or books or pocket editions of books.

*Online garage sales* means sales of tangible personal property, except automotive vehicles, occurring online, where the property to be sold was originally purchased for use by the seller or members of the seller's household.

*Parent* means a parent of a student.



*Person* means any individual, firm, partnership, joint venture, corporation, limited liability company, estate or trust, receiver, trustee, assignee, lessee or any person acting in a fiduciary or representative capacity, whether appointed by court or otherwise, or any group or combination acting as a unit.

*Photovoltaic system* means a power system designed to supply usable solar power by means of photovoltaics, a method of converting solar energy into direct current electricity using semiconducting materials that create voltage or electric current in a material upon exposure to light. It consists of an arrangement of several components, including solar panels to absorb and convert sunlight into electricity, a solar inverter to change the electric current from DC to AC, as well as mounting, cabling, metering systems and other electrical accessories to set up a working system.

*Precious metal bullion* means any precious metal, including but not limited to, gold, silver, platinum, palladium, that has been put through a process of refining and is in such a state or condition that its value depends upon its precious metal content and not its form.

*Prepress preparation material* means all materials used by those in the printing industry including, but not limited to, airbrush color photos, color keys, dies, engravings, light-sensitive film, light-sensitive paper, masking materials, Mylar, plates, proofing materials, tape, transparencies, and veloxes, which are used by printers in the preparation of customer specific layouts or in plates used to fill customers' printing orders, which are eventually sold to a customer, either in their original purchase form or in an altered form, and for which a sales or use tax is demonstrably collected from the printer's customer, if applicable, either separately from the printed materials or as part of the inclusive price therefor. Materials sold to a printer which are used by the printer for the printer's own purposes, and are not sold, either directly or in an altered form, to a customer, are not included within this definition.

*Preprinted newspaper supplements* shall mean inserts, attachments or supplements circulated in newspapers that: (1) are primarily devoted to advertising; and (2) the distribution, insertion, or attachment of which is commonly paid for by the advertiser.

*Prescription drugs for animals* means a drug which, prior to being dispensed or delivered, is required by the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. Sect. 301 et seq., as amended, to state at a minimum the symbol "Rx Only", and is dispensed in accordance with any order in writing, dated and signed by a licensed veterinarian specifying the animal for which the medicine or drug is offered and directions, if any, to be placed on the label.

*Prescription drugs for humans* means a drug which, prior to being dispensed or delivered, is required by the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. Sect. 301 et seq., as amended, to state at a minimum the symbol "Rx Only", and is dispensed in accordance with any written or electronic order dated and signed by a licensed practitioner of the healing arts, or given orally by a practitioner and immediately reduced to writing by the pharmacist, assistant pharmacist, or pharmacy intern, specifying the name and any required information of the patient for whom the medicine, drug or poison is offered and directions, if any, to be placed on the label.

*Price or purchase price* means the aggregate value measured in currency paid or delivered or promised to be paid or delivered in consummation of a sale, without any discount from the price on account of the cost of materials used, labor or service cost, and exclusive of any direct tax imposed by the federal government or by this Article, and, in the case of all retail sales



involving the exchange of property, also exclusive of the fair market value of the property exchanged at the same time and place of the exchange, if:

- a. Such exchanged property is to be sold thereafter in the usual course of the retailer's business, or
- b. Such exchanged property is a vehicle and is exchanged for another vehicle and both vehicles are subject to licensing, registration, or certification under the laws of this state, including, but not limited to, vehicles operating upon public highways, off-highway recreation vehicles, watercraft, and aircraft. Any money or other consideration paid over and above the value of the exchanged property is subject to tax.

"Price" or "purchase price" includes:

- a. The amount of money received or due in cash and credits.
- b. Property at fair market value taken in exchange but not for resale in the usual course of the retailer's business.
- c. Any consideration valued in money, whereby the manufacturer or someone else reimburses the retailer for part of the purchase price and other media of exchange.
- d. The total price charged on credit sales including finance charges which are not separately stated at the time of sale. An amount charged as interest on the unpaid balance of the purchase price is not part of the purchase price unless the amount added to the purchase price is included in the principal amount of a promissory note; except the interest or carrying charge set out separately from the unpaid balance of the purchase price on the face of the note is not part of the purchase price. An amount charged for insurance on the property sold and separately stated at the time of sale is not part of the purchase price.
- e. Installation, applying, remodeling or repairing the property, delivery and wheeling-in charges included in the purchase price and not separately stated.
- f. Transportation and other charges to effect delivery of tangible personal property to the purchaser.
- g. Indirect federal manufacturers' excise taxes, such as taxes on automobiles, tires and floor stock.
- h. The gross purchase price of articles sold after manufacturing or after having been made to order, including the gross value of all the materials used, labor and service performed and the profit thereon.

"Price" or "purchase price" shall not include:

- a. Any sales or use tax imposed by the State of Colorado or by any political subdivision thereof.
- b. The fair market value of property exchanged if such property is to be sold thereafter in the retailers' usual course of business. This is not limited to exchanges in Colorado. Out of state trade-ins are an allowable adjustment to the purchase price.
- c. Discounts from the original price if such discount and the corresponding decrease in sales tax due is actually passed on to the purchaser, and the seller is not reimbursed for the

discount by the manufacturer or someone else. An anticipated discount to be allowed for payment on or before a given date is not an allowable adjustment to the price in reporting gross sales.

*Private communications services* means telecommunications services furnished to a subscriber, which entitles the subscriber to exclusive or priority use of any communication channel or groups of channels, or to the exclusive or priority use of any interstate inter-communications system for the subscriber's stations.

*Prosthetic devices for animals* means any artificial limb, part, device or appliance for animal use which replaces a body part or aids or replaces a bodily function; is designed, manufactured, altered or adjusted to fit a particular patient; and is prescribed by a licensed veterinarian. Prosthetic devices include, but are not limited to, prescribed auditory, ophthalmic or ocular, cardiac, dental, or orthopedic devices or appliances, and oxygen concentrators with related accessories.

*Prosthetic devices for humans* means any artificial limb, part, device or appliance for human use which replaces a body part or aids or replaces a bodily function; is designed, manufactured, altered or adjusted to fit a particular patient; and is prescribed by a licensed practitioner of the healing arts. Prosthetic devices include, but are not limited to, prescribed auditory, ophthalmic or ocular, cardiac, dental, or orthopedic devices or appliances, and oxygen concentrators with related accessories.

*Purchase or sale* means the acquisition for any consideration by any person of tangible personal property, other taxable products or taxable services that are purchased, leased, rented, sold, used, stored, distributed, or consumed. These terms include capital leases, installment and credit sales, and property and services acquired by:

- a. Transfer, either conditionally or absolutely, of title or possession or both to tangible personal property, other taxable products, or taxable services;
- b. A lease, lease-purchase agreement, rental or grant of a license, including royalty agreements, to use tangible personal property, other taxable products, or taxable services; the utilization of coin-operated devices, except coin-operated telephones, which do not vend articles of tangible personal property shall be considered short term rentals of tangible personal property.
- c. Performance of taxable services; or
- d. Barter or exchange for other tangible personal property, other taxable products, or services.

The terms "purchase and sale" do not include:

- a. A division of partnership assets among the partners according to their interests in the partnership;
- b. The transfer of assets of shareholders in the formation or dissolution of professional corporations, if no consideration including, but not limited to, the assumption of a liability is paid for the transfer of assets;



- c. The dissolution and the pro rata distribution of the corporation's assets to its stockholders, if no consideration including, but not limited to, the assumption of a liability is paid for the transfer of assets;
- d. A transfer of a partnership or limited liability company interest;
- e. The transfer of assets to a commencing or existing partnership or limited liability company, if no consideration including, but not limited to, the assumption of a liability is paid for the transfer of assets;
- f. The repossession of personal property by a chattel mortgage holder or foreclosure by a lienholder;
- g. The transfer of assets from a parent company to a subsidiary company or companies which are owned at least eighty percent (80%) by the parent company, which transfer is solely in exchange for stock or securities of the subsidiary company;
- h. The transfer of assets from a subsidiary company or companies which are owned at least eighty percent (80%) by the parent company to a parent company or to another subsidiary which is owned at least eighty percent (80%) by the parent company, which transfer is solely in exchange for stock or securities of the parent corporation or the subsidiary which received the assets;
- i. The transfer of assets between parent and closely held subsidiary companies, or between subsidiary companies closely held by the same parent company, or between companies which are owned by the same shareholders in identical percentage of stock ownership amounts, computed on a share-by-share basis, when a tax imposed by this Article was paid by the transferor company at the time it acquired such assets, except to the extent that there is an increase in the fair market value of such assets resulting from the manufacturing, fabricating, or physical changing of the assets by the transferor company. To such an extent any transfer referred to in this paragraph (i) shall constitute a sale. For the purposes of this paragraph (i), a closely held subsidiary corporation is one in which the parent company owns stock possessing or membership interest at least eighty percent (80%) of the total combined voting power of all classes of stock entitled to vote and owns at least eighty percent (80%) of the total number of shares of all other classes of stock.

*Rail carrier* means as defined in Section 10102 of Title 49 of the U.S.C. as of October 10, 2013, and as it may be amended hereafter.

*Rail carrier part* means any tangible personal property that is originally designed and intended to be permanently affixed or attached as a component part of a locomotive or rail car used by a rail carrier.

*Recreation services* means all services relating to athletic or entertainment participation events and/or activities including but not limited to pool, golf, billiards, skating, tennis, bowling, health/athletic club memberships, coin-operated amusement devices, video games and video club memberships.

*Renewable energy* means any energy resource that is naturally regenerated over a short time scale and derived directly from the sun (such as thermal, photochemical, and photoelectric), indirectly from the sun (such as wind, hydropower, and photosynthetic energy stored in biomass), or from other natural movements and mechanisms of the environment (such as

geothermal and tidal energy). "Renewable energy" does not include energy resources derived from fossil fuels, waste products from fossil sources, or waste products from inorganic sources.

*Resident* means a person who resides or maintains one (1) or more places of business within the City, regardless of whether that person also resides or maintains a place of business outside of the City.

*Retail sales* means all sales except wholesale sales.

*Retailer* means any person selling, leasing, renting, or granting a license to use tangible personal property or services at retail. "Retailer" shall include, but is not limited to, any:

- a. Auctioneer;
- b. Salesperson, representative, peddler or canvasser, who makes sales as a direct or indirect agent of or obtains such property or services sold from a dealer, distributor, supervisor or employer;
- c. Charitable organization or governmental entity which makes sales of tangible personal property to the public, notwithstanding the fact that the merchandise sold may have been acquired by gift or donation or that the proceeds are to be used for charitable or governmental purposes;
- d. Retailer-contractor, when acting in the capacity of a seller of building supplies, construction materials, and other tangible personal property.

*Retailer-contractor* means a contractor who is also a retailer of building supplies, construction materials, or other tangible personal property, and purchases, manufactures, or fabricates such property for sale (which may include installation), repair work, time and materials jobs, and/or lump sum contracts.

*Return* means any form prescribed by the City of Greeley administration for computing and reporting a total tax liability.

*Sale that benefits a Colorado school* means a sale of a commodity or service from which all proceeds of the sale, less only the actual cost of the commodity or service to a person or entity as described in this Code, are donated to a school or a school-approved student organization.

*Sales tax* means the tax that is collected or required to be collected and remitted by a retailer on sales taxed under this Code.

*School* means a public or nonpublic school for students in kindergarten through twelfth grade or any portion thereof.

*Security system services* means electronic alarm and/or monitoring services. Such term does not include non-electronic security services such as consulting or human or guard dog patrol services.

*Soft drink* means a nonalcoholic beverage that contains natural or artificial sweeteners. "Soft drink" does not include beverages that contain milk or milk products, soy, rice, or similar milk substitutes, or greater than fifty percent (50%) of vegetable or fruit juice by volume.

*Software as a service* means software that is rented, leased or subscribed to from a provider and used at the consumer's location, including but not limited to applications, systems or programs.



*Software license fee* means a fee charged for the right to use, access, or maintain software programs.

*Software maintenance agreement* means an agreement, typically with a software provider, that may include (1) provisions to maintain the right to use the software; (2) provisions for software upgrades including code updates, version updates, code fix modifications, enhancements, and added or new functional capabilities loaded into existing software, or (3) technical support.

*Software program* means a sequence of instructions that can be measured, interpreted and executed by an electronic device (e.g., a computer, tablets, smart phones) regardless of the means by which it is accessed or the medium of conveyance. Software program includes: (1) custom software program, which is a software program prepared to the special order or specifications of a single customer; (2) pre-written software program, which is a software program prepared for sale or license to multiple users, and not to the special order or specifications of a single customer. Pre-written software is commonly referred to as "canned," "off-the-shelf ("COTS")," "mass produced" or "standardized;" (3) modified software, which means pre-written software that is altered or enhanced by someone other than the purchaser to create a program for a particular user; and (4) the generic term "software," "software application," as well as "updates," "upgrades," "patches," "user exits," and any items which add or extend functionality to existing software programs.

*Solar thermal systems* means a system whose primary purpose is to use energy from the sun to produce heat or cold for: (1) heating or cooling a residential or commercial building; (2) heating or cooling water; or (3) any industrial, commercial, or manufacturing process.

*Sound system services* means the provision of broadcast or pre-recorded audio programming to a building or portion thereof. Such term does not include installation of sound systems where the entire system becomes the property of the building owner or the sound system service is for presentation of live performances.

*Special fuel* means kerosene oil, kerosene distillate, diesel fuel, all liquefied petroleum gases, and all combustible gases and liquids for use in the generation of power for propulsion of motor vehicles upon the public highways. The term does not include fuel used for the propulsion or drawing of aircraft, railroad cars or railroad locomotives.

*Special sales event* means any sales event which includes more than three (3) vendors taking place at a single location for a limited period of time not to exceed seven (7) consecutive days.

*Storage* means any keeping or retention of, or exercise dominion or control over, or possession of, for any length of time, tangible personal property not while in transit but on a stand still basis for future use when leased, rented or purchased at retail from sources either within or without the City from any person or vendor.

*Student* means any person enrolled in a school.

*Tangible personal property* means personal property that can be one (1) or more of the following: seen, weighed, measured, felt, touched, stored, transported, exchanged, or that is in any other manner perceptible to the senses.

*Tax* means the use tax due from a consumer or the sales tax due from a retailer or the sum of both due from a retailer who also consumes.



*Tax deficiency or deficiency* means any amount of tax, penalty, interest, or other fee that is not reported and/or not paid on or before the date that any return or payment of the tax is required under the terms of this Code.

*Taxable sales* means gross sales less any exemptions and deductions specified in this Code.

*Taxable services* means services subject to tax pursuant to this Code.

*Taxpayer* means any person obligated to collect and/or pay tax under the terms of this Code.

*Telecommunications service* means the service of which the object is the transmission of any two-way interactive electronic or electromagnetic communications including but not limited to voice, image, data and any other information, by the use of any means but not limited to wire, cable, fiber optical cable, microwave, radio wave, voice over internet protocol (VoIP), or any combinations of such media, including any form of mobile two-way communication. Telecommunications service does not include separately stated non-transmission services which constitute computer processing applications used to act on the information to be transmitted.

*Television and entertainment services* means audio or visual content that can be transmitted electronically by any means, for which a charge is imposed.

*Therapeutic device* means devices, appliances, or related accessories that correct or treat a human physical disability or surgically created abnormality.

*Toll free telecommunications service* means a telecommunications service that allows a caller to dial a number without incurring an additional charge for the call.

*Total tax liability* means the total of all tax, penalties and/or interest owed by a taxpayer and shall include sales tax collected in excess of such tax computed on total sales.

*Transient/temporary sale* means a sale by any person who engages in a temporary business of selling and delivering goods within the City for a period of no more than seven (7) consecutive days.

*Transient/temporary vendor* means any person who engages in the business of transient/temporary sales.

*Use* means the exercise, for any length of time by any person within the City of any right, power or dominion over tangible personal property or services when rented, leased or purchased at retail from sources either within or without the City from any person or vendor or used in the performance of a contract in the City whether such tangible personal property is owned or not owned by the taxpayer. Use also includes the withdrawal of items from inventory for consumption.

*Use tax* means the tax paid or required to be paid by a consumer for using, storing, distributing or otherwise consuming tangible personal property or taxable services inside the City.

*Wholesale sales* means a sale by wholesalers to retailers, jobbers, dealers, or other wholesalers for resale and does not include a sale by wholesalers to users or consumers not for resale; latter types of sales shall be deemed to be retail sales and shall be subject to the provisions of this Chapter.



*Wholesaler* means any person doing an organized wholesale or jobbing business and selling to retailers, jobbers, dealers, or other wholesalers, for the purpose of resale, and not for storage, use, consumption, or distribution.

4.04.020 - Reserved.

4.04.060 - Sales tax levied.

There is levied and there shall be collected and paid a sales tax in the amount stated in Section 4.04.145 as follows:

- (1) On the purchase price paid or charged for tangible personal property leased, purchased or sold at retail by every person exercising a taxable privilege in the City by the sale or lease of such property, except those specifically exempted;
- (2) On the total amount due under a lease or contract concerning tangible personal property when the right to possession or use of the tangible personal property is granted therein and such transfer of possession would be taxable under this Chapter if an outright sale were made;
- (3) On the purchase price paid or charged for television and entertainment services sold, purchased, leased, rented, furnished or used;
- (4) Upon the amount paid for the use of facilities and accommodations of a hotel, apartment hotel, cottage camp, motor court, trailer park or camp operated for the accommodations of the general public;
- (5) Upon telecommunications services, except carrier access services and interstate, private communication services as designated in Section 4.04.015 whether furnished by public or private corporations or enterprises for all interstate, intrastate and international telecommunications services originating from or received on telecommunications equipment in the City if the charge for the service is billed or charged to an apparatus, telephone or account in the City, to a customer location in the City, or to a person residing in the City, without regard to where the bill for such service is physically received;
- (6) For gas and electric service or gas and electricity furnished and sold for domestic or commercial consumption and not for resale;
- (7) Upon the amount paid for all meals, food and beverage and cover charges, if any, furnished in or from any restaurant, cafe, hotel, drugstore, nightclub, bar and lounge, tavern, club, resort, stand or vehicle, or other such place at which meals, food or beverage are regularly sold to the public for consumption either on or off the business premises;
- (8) For steam or other heating service furnished and sold for domestic or commercial use.

#### 4.08.015 - Definitions.

When not clearly otherwise indicated by context, the following words and phrases, as used in this Chapter, shall have the following meanings:

*Gross taxable sales* means the total amount received in money, credits, property or other valuable consideration from sales and purchases of lodging, subject to the tax imposed in this Chapter.

*Lodging* shall mean the transaction of furnishing rooms or accommodations by any person, partnership, association, corporation, estate, receiver, trustee, assignee, lessee or any person acting in a representative capacity or any other combination of individuals of whatever name known to a person or persons who, for a consideration, uses, possesses or has the right to use or possess any room or rooms in a hotel, apartment, hotel, lodging house, motor hotel, guest house, guest ranch, mobile home, auto camps, trailer courts and parks, under any concession, permit, right of access, license to use or other agreement, or otherwise.

*Person* means an individual, partnership, society, club, association, joint stock company, corporation, estate, receiver, trustee, assignee, referee or any other person acting in a fiduciary or representative capacity, whether appointed by a court or otherwise and any other group or combination of individuals acting as a unit, including the United States of America, the State of Colorado and any political subdivision thereof.

*Purchase or sale* means the acquisition for a price by any person of the taxable services of lodging within the City.

*Purchaser* means any person to whom the taxable service of lodging has been rendered.

*Tax* means either the tax payable by the purchaser or the aggregate amount of taxes due from a vendor during the period for which the vendor is required to report collections under this Chapter.

*Taxpayer* shall mean any person obligated to account to the Finance Director for taxes collected or to be collected under the terms of this Chapter.

*Vendor* means a person making sales to a purchaser in the City of the taxable service of lodging.