

BY AUTHORITY

ORDINANCE NO. 614  
SERIES OF 2009

COUNCIL BILL NO. 598  
COMMITTEE OF REFERENCE:  
Finance

**A BILL**

**For an ordinance to amend Chapter 53 to eliminate discount allowance.**

**WHEREAS**, the discount allowance has outlived its historic purpose;

**NOW THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF DENVER:**

**Section 1.** That Chapter 53-27(e), "Retailers to collect tax", of the Revised Municipal Code is hereby amended by deleting the language stricken as follows:

*(e) Retailer as collecting agent.* The retailer shall be entitled as collecting agent of the city to apply and credit the amount of his collections of the tax levied by this article against the amount required to be paid over by him under the provisions of section 53-28, remitting any excess of collections over the amount required by section 53-28 ~~less the one-half of one (.5) percent vendor discount allowance, if applicable,~~ to the manager in the retailer's next periodic sales tax return.

**Section 2.** That Chapter 53-28(a), "Retailer responsible for payment of tax", of the Revised Municipal Code is hereby amended by adding the punctuation underlined and deleting the language stricken as follows:

*(a) Amount.* Every retailer shall, irrespective of other provisions of this article, be liable and responsible for the payment of an amount equivalent to three and sixty-two one-hundredths (3.62) percent of the retailer's gross taxable sales of commodities or services specified in this article, except: (1) Aviation and railway fuel, as to which the rate of four cents (\$0.04) for each gallon purchased shall apply; (2) Automotive vehicles when they are for any term of thirty (30) days or less hired for use, rented, leased or transferred under a grant of a license to use, as to which a rate of taxation as set forth in section 53-27(b)(2) shall apply; and (3) Food and beverages not exempted from taxation under section 53-26(8) of this article, as to which the rate of four (4) percent shall apply, and for each of which respective rates aforesaid the retailer shall be liable for an equivalent amount; and every retailer shall on or before the twentieth day of each month pay over such amount and make a return to the manager, ~~less one-half of one (.5) percent of such amount as a discount allowable for prompt payment. If any vendor is delinquent in remitting the tax levied by this article, other than in unusual circumstances shown to the satisfaction of the manager, the vendor shall not be allowed to retain any discount allowable for prompt payment, and the full amount shall be remitted to the manager by any such delinquent vendor, together with any other applicable penalty or interest payable under the terms of this article.~~

1 **Section 3.** That Chapter 53-98(h), "Retailers to collect tax", of the Revised Municipal Code is  
2 hereby amended by deleting the language stricken as follows:

3 (h) *Retailer as collecting agent.* The retailer shall be entitled as collecting agent of the city to  
4 apply and credit the amount of his collections of the tax levied by this article against the amount  
5 required to be paid over by him under the provisions of section 53-99, remitting any excess of  
6 collections over the amount required by section 53-99 of this Code ~~less the one half of one (.5)~~  
7 ~~percent vendor discount allowance, if applicable, to the manager in the retailer's next periodic tax~~  
8 ~~return.~~  
9

10 **Section 4.** That Chapter 53-99(a), "Retailer responsible for payment of tax", of the Revised  
11 Municipal Code is hereby amended by adding the punctuation underlined and deleting the  
12 language stricken as follows:

13 (a) *Amount.* Every retailer shall, irrespective of other provisions of this article, be liable and  
14 responsible for the payment of an amount equivalent to three and sixty-two one-hundredths  
15 (3.62) percent of gross taxable sales made by him of services and tangible personal property  
16 specified in this article, except: (1) aviation and railway fuel, as to which the rate of four cents  
17 (\$0.04) for each gallon purchased shall apply, (2) automotive vehicles when they are for any  
18 term of thirty (30) days or less hired for use, rented, leased or transferred under a grant of a  
19 license to use, as to which a rate of taxation as set forth in section 53-98(b)(2) shall apply, and  
20 (3) food and beverages not exempted from taxation under section 53-26(8) of the city retail sales  
21 tax article, as to which the rate of four (4) percent shall apply, and for each of which respective  
22 rates aforesaid the retailer shall be liable for an equivalent amount; and every retailer shall on or  
23 before the twentieth day of each month pay over such amount and make a return to the  
24 manager, ~~less one half of one (.5) percent of such amount as a discount allowable for prompt~~  
25 ~~payment. If any vendor is delinquent in remitting the tax levied by this article, other than in~~  
26 ~~unusual circumstances shown to the satisfaction of the manager, the vendor shall not be allowed~~  
27 ~~to retain any discount allowable for prompt payment, and the full amount shall be remitted to the~~  
28 ~~manager by any such delinquent vendor, together with any other applicable penalty or interest~~  
29 ~~payable under the terms of this article.~~  
30

31 **Section 5.** That Chapter 53-174(a), "Vendor responsible for payment of tax", of the Revised  
32 Municipal Code is hereby amended by adding the punctuation underlined and deleting the  
33 language stricken as follows:

34 (a) *Amount.* Every vendor shall add the tax imposed by section 53-171 to the purchase price or  
35 charge for lodging, and the vendor shall be liable and responsible to the city for the payment on  
36 a monthly basis of an amount equivalent to such tax on all gross taxable sales, and also liable  
37 and responsible to the city for any collection in excess of that equivalent amount, ~~less one half~~  
38 ~~of one (.5) percent of such amount as a discount allowable for prompt payment. If any vendor is~~  
39 ~~delinquent in remitting the tax levied by this article, other than in unusual circumstances shown~~  
40 ~~to the satisfaction of the manager, the vendor shall not be allowed to retain any discount~~  
41 ~~allowable for prompt payment, and the full amount shall be remitted to the manager by any such~~  
42 ~~delinquent vendor, together with any other applicable penalty or interest payable under the terms~~  
43 ~~of this article.~~  
44

45 **Section 6.** These amendments take effect for all tax returns due on or after November 20,  
46 2009.

1 COMMITTEE APPROVAL: October 7, 2009  
2 MAYOR-COUNCIL DATE: October 13, 2009  
3 PASSED BY THE COUNCIL October 26 2009

4 Jeanne Robb - PRESIDENT  
5 APPROVED: Der Hufner - MAYOR October 27, 2009  
6 ATTEST: Stephanie Y. O'Malley - CLERK AND RECORDER,  
7 Atty EX-OFFICIO CLERK OF THE  
8 CITY AND COUNTY OF DENVER

9 NOTICE PUBLISHED IN THE DAILY JOURNAL Oct 23, 2009; Oct. 30, 2009

10 PREPARED BY: Laurie Heydman - ASSISTANT CITY ATTORNEY - October 15, 2009

11 Pursuant to section 13-12, D.R.M.C., this proposed ordinance has been reviewed by the office of the  
12 City Attorney. We find no irregularity as to form, and have no legal objection to the proposed  
13 ordinance. The proposed ordinance IS NOT submitted to the City Council for approval pursuant to  
14 §3.2.6 of the Charter.

15  
16 David R. Fine, City Attorney  
17 BY: Dr. Fine, Asst City Attorney - 14 Oct. 2009

