

**FIRST READING**     May 19, 2015

**SECOND READING**     \_\_\_\_\_

**ORDINANCE NO.** \_\_\_\_\_

**AN ORDINANCE REDUCING THE SALES TAX ON FOOD FOR HOME CONSUMPTION**

**WHEREAS**, on August 7, 1984 the Loveland City Council adopted Ordinance No. 3094 that established a tax policy regarding sales and use tax and repealed and re-enacted Chapter 3.16 of the Loveland Municipal Code that, among other sales and use tax changes, set a tax rate of three percent (3%) on food for home consumption as defined in state statute, subject to approval by the City's registered electors on November 6, 1984; and

**WHEREAS**, City Council desires to reduce the sales tax on food for home consumption.

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

**Section 1.** That sub-section 3.16.020 A. of the Loveland Municipal Code be amended as follows:

**3.16.020     General provisions.**

- A. There is imposed on the sale of tangible personal property at retail or the furnishing of services as provided in § 29-2-105(1)(d), Colorado Revised Statutes, a sales tax equal to three percent of the gross receipts (the "sales tax"). The tangible personal property and services taxable under this chapter shall be the same as the tangible personal property and services taxable pursuant to § 39-26-104, Colorado Revised Statutes, and subject to the same exemptions as those specified in § 39-26-114, Colorado Revised Statutes; provided that the exemption for the sales of food pursuant to § 39-26-707, Colorado Revised Statutes, exemption for sales of electricity, coal, wood, gas, fuel oil or coke sold to occupants of residences pursuant to § 39-26-114(1)(a)(XXI), Colorado Revised Statutes, and the exemption for sales of machinery or machine tools pursuant to § 39-26-114(11), Colorado Revised Statutes, shall not apply to the sales tax, and the sale of such items is expressly made taxable under this chapter. The imposition of the sales tax on individual sales shall be in accordance with schedules set forth in the rules and regulations promulgated by the city manager. Notwithstanding anything in this sub-section A to the contrary, the sales tax on the sale of food for home consumption as defined in § 39-26-102(4.5)(a), Colorado Revised Statutes, except candy and soda as defined in § 39-26-707(1.5), Colorado Revised Statutes, is hereby reduced to 2% effective November 1, 2015,

and to 1% effective November 1, 2016, and such sales tax on the sale of food for home consumption is hereby eliminated effective November 1, 2017.

**Section 2.** That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full. This Ordinance shall be in full force and effect upon final adoption, as provided in City Charter Section 11-5(d).

ADOPTED this \_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Cecil A. Gutierrez, Mayor

ATTEST:

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

APPROVED AS TO FORM:

  
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City Attorney