A RESOLUTION DESCRIBING A PROPOSAL FOR A 0.3% COUNTY-WIDE SALES AND USE TAX TO SUPPORT COMMUNITY RESILIENCE AND COMMUNITY NEEDS; AND REFERRING A BALLOT ISSUE TO THE NOVEMBER 3, 2026, GENERAL ELECTION BALLOT, AND CALLING AN ELECTION

WHEREAS, Larimer County faces significant and increasing risks from wildfire, drought, flooding, extreme weather, and other natural hazards, and there is a need for sustained investment in prevention, mitigation, preparedness, response, and recovery, including forest health, watershed and drinking water source protection, and projects that reduce the risks and impacts of disasters on residents, communities, infrastructure, and natural resources; and

WHEREAS, the County is experiencing increasing demands on County services, infrastructure, emergency response and recovery capabilities, and natural resource protection, driven in part by the continued impacts of federal and state requirements and an increasing number of requests for new or expanded County services and investments from residents, requiring the County to plan for both current needs and long-term community resilience; and

WHEREAS, resilient infrastructure is essential to the safety, mobility, economic vitality, and quality of life of Larimer County residents, and there is a need to maintain, improve, and construct County roads, bridges, parks, trails, open spaces, and other recreational lands, including improvements that enhance safety, accessibility, multimodal transportation, and community connectivity; and

WHEREAS, the County has an ongoing responsibility to respond to emerging community needs and ensure that County facilities and systems are capable of supporting residents during both routine operations and emergencies now and into the future, including facility improvements and construction, the administration and delivery of programs, including public benefit programs, and the provision of resources necessary to effectively administer existing programs and respond to new and emerging community needs; and

WHEREAS, addressing these needs requires a reliable, dedicated, and sustainable source of revenue that can support long-term planning and investment, reduce the need to defer necessary improvements, and allow the County to respond to changing risks, priorities, and community needs over time; and

WHEREAS, Larimer County has been prudent and responsible in managing available resources, including taking steps to reduce budgets, contain costs, prioritize essential services, and make difficult adjustments to programs and service levels in response to fiscal constraints and changing community needs; and

WHEREAS, the Board of County Commissioners intends that revenues generated pursuant to the referred measure be invested to advance public purposes, with funding decisions guided by demonstrated community needs, County priorities, responsible stewardship of public resources, and applicable County plans and policies; and

WHEREAS, the Board of County Commissioners recognizes that the County's needs and priorities will evolve over time and intends that the revenues authorized by the measure provide flexibility to address those needs and priorities, rather than being limited to any single project, program, facility, or geographic area of the County, subject to applicable law and the County's budget and financial policies; and

WHEREAS, the Board of County Commissioners further intends that the use of such revenues be subject to appropriate transparency, accountability, and financial oversight, including the County's annual independent audit, so that residents can understand how the revenues are collected and invested; and

WHEREAS, the Board of County Commissioners has determined that referring a sales tax increase of 0.3% of taxable transactions (which represents a 30-cent increase on each one-hundred dollar purchase) to the registered electors of Larimer County for consideration at the November 2026 election will help Larimer County meet these current and future needs and provides the appropriate means for the voters to determine whether to authorize the additional revenue necessary to address current and future community needs; and

WHEREAS, the Board finds that a sales tax increase of 0.3% of taxable transactions as stated herein will promote the health, safety and welfare of the Larimer County community and offers community benefits; and

WHEREAS, Article 2 of Title 29, Colorado Revised Statutes, as amended, authorizes referral of a county-wide sales and use tax to the registered electors of a county by resolution adopted by the Board of County Commissioners of such county, and if approved by a majority of registered electors voting thereon, such sales and use tax shall be effective throughout the incorporated and unincorporated portions of Larimer County; and

WHEREAS, the Larimer County Board of County Commissioners believes it is in the best interests and welfare of the Larimer County community that voters have the option of voting on the imposition of a sales and use tax to fund the critical public safety, resiliency, and emergency purposes described in this Resolution; and

WHEREAS, pursuant to §29-2-104(3), Colorado Revised Statutes, as amended, the Board of County Commissioners of Larimer County ("County") in the State of Colorado ("State") desires to refer to the registered electors of Larimer County a proposal for a county-wide sales and use tax at the next general election on November 3, 2026, a day which is within the next succeeding 120 days after the adoption of this Resolution; and

WHEREAS, section 29-2-105, Colorado Revised Statutes, as amended, requires that a proposal for a county-wide sales and use tax contain certain provisions concerning the amount, levying and scope of such tax; and

WHEREAS, Article X, Section 20 of the State Constitution requires voter approval of the proposed county-wide sales and use tax.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF LARIMER COUNTY that there shall be referred to the registered electors of Larimer County at the general election to be held on November 3, 2026, the following proposal:

Section 1. THAT a county-wide 0.3 percent (0.3%) sales tax beginning January 1, 2027, and continuing thereafter, in accordance with the provisions of Article 2, Title 29, Colorado Revised Statutes, shall be imposed on the sale of tangible personal property at retail and the furnishing of services in the County, as provided in §29-2-105(1)(d), Colorado Revised Statutes, as amended, and as is more fully hereinafter set forth.

(a) For the purposes of this sales tax proposal, all retail sales are consummated as specified in the provisions of Article 26 of Title 39, Colorado Revised Statutes, as amended, and by rules and regulations promulgated by the State Department of Revenue.

(b) The amount subject to tax shall not include the amount of any sales or use tax imposed by Article 26 of Title 39, Colorado Revised Statutes, as amended.

(c) The tangible personal property and services taxable pursuant to this proposal shall be the same as the tangible personal property and services taxable pursuant to §39-26-104, Colorado Revised Statutes, as amended, and subject to the same exemptions as those specified in Part 7, Article 26, Title 39, Colorado Revised Statutes, as amended, and further subject to the exemptions for:

(1) The exemption for sales of food for domestic home consumption specified in §39-26-707 (1)(e) & 39-26-102 (4.5), C.R.S.;

(2) The exemption for sales of machinery and machine tools specified in §39-26-709 (1), C.R.S.;

(3) The exemption for sales of gas, electricity, and other specified fuels for residential use specified in §39-26-715 (1)(a)(II), C.R.S.;

(4) The exemption for low-volume sales by a charitable organization specified in §39-26-718 (1)(b), C.R.S.;

(5) The exemption for sales of farm equipment, not including animal identification equipment, specified in §39-26-716 (4)(e) & (4)(f);

(6) The exemption for food, not including candy and soft drinks, sold through vending machine specified in §39-26-714 (2), C.R.S;

(7) The exemption for sales of certain medium and heavy-duty vehicles, engines, motors, and conversion parts purchased before 1/1/25 or 8/1/25 onward specified in §39-26-719(1), C.R.S.;

(8) The exemption for sales of renewable energy components specified in §39-26-724, C.R.S.;

(9) The exemption for Manufactured homes, Modular homes, and Tiny Homes constructed on a permanent chassis in compliance with Manufactured Homes Construction and Safety Standards (HUD Code) §39-26-721(3), C.R.S.;

(10) The exemption for sales of incontinence products and diapers as specified in §39-26-717(2)(n), C.R.S.; and

(11) The exemption for sales of period products as specified in §39-26-717(2)(m), C.R.S.

(d) All sales of personal property on which a specific ownership tax has been paid or is payable shall be exempt from the sales tax imposed by the County when such sales meet both of the following conditions:

(1) The purchaser is a non-resident of or has his principal place of business outside of the County; and

(2) Such personal property is registered or required to be registered outside the limits of the County under the laws of the State.

(e) The county-wide sales tax shall not apply to the sale of construction and building materials, as the term is used in §29-2-109, Colorado Revised Statutes, as amended, if the purchaser of such materials presents to the retailer a building permit or other documentation acceptable to the County evidencing that a local use tax has been paid or is required to be paid.

(f) The county-wide sales tax will not apply to the sale of tangible personal property at retail or the furnishing of services if the transaction was previously subjected to a sales or use tax already imposed on the purchaser or user by another statutory or home rule county equal to or in excess of that sought to be imposed by the County. A credit shall be granted against the sales tax imposed by the County with respect to such transaction equal in amount to the lawfully imposed local sales or use tax previously paid by the purchaser or user to the previous statutory or home rule county. The amount of the credit shall not exceed the sales tax imposed by the County.

(g) The county-wide sales tax will not apply to the sale of food purchased with food stamps. For purposes of this paragraph, "food" shall have the meaning as provided in 7 U.S.C. § 2012(g) as such section existed on October 1, 1987, or as such section is thereafter amended.

(h) The county-wide sales tax will not apply to the sale of food purchased with funds provided by the special supplemental food program for women, infants, and children, 42 U.S.C. §1786. For purposes of this paragraph, "food" shall have the same meaning as provided in

42 U.S.C. §1786 as such section existed on October 1, 1987, or as such section is thereafter amended.

(i) The vendor (retailer) shall not be entitled as collecting agent to withhold a collection fee unless such a fee, and the amount thereof is established by the Board of County Commissioners. If such fee is established, it will be administered as specified in Section 39-26-105, C.R.S. No vendor shall be entitled to the collection fee for any month that the vendor is or remains delinquent.

(j) The sales tax imposed shall be collected, administered, and enforced by the Executive Director of the Department of Revenue in the same manner as the collection, administration, and enforcement of the State sales tax, as provided by Article 26 of Title 39, Colorado Revised Statutes, as amended.

Section 2. THAT a county-wide 0.3 percent (0.3%) use tax beginning January 1, 2027, and continuing thereafter, in accordance with the provisions of Article 2, Title 29, Colorado Revised Statutes, shall be imposed for the privilege of using or consuming in the County any construction and building materials purchased at retail and for the privilege of storing, using, or consuming in the County any motor and other vehicles, purchased at retail on which registration is required. The use tax shall not apply:

(a) to the storage, use, or consumption of any tangible personal property the sale of which is subject to a retail sales tax imposed by the County;

(b) to the storage, use or consumption of any tangible personal property purchased for resale in the County either in its original form or as an ingredient of a manufactured or compounded product, in the regular course of a business;

(c) to the storage, use or consumption of tangible personal property brought into the County by a non-resident thereof for his own storage, use, or consumption while temporarily within the County; however, this exemption does not apply to the storage, use, or consumption of tangible personal property brought into this state by a non-resident to be used in the conduct of a business in this state;

(d) to the storage, use, or consumption of tangible personal property by the United States government, or the State, or its institutions, or its political subdivisions in their governmental capacities only or by religious or charitable corporations in the conduct of their regular religious or charitable functions;

(e) to the storage, use, or consumption of tangible personal property by a person engaged in the business of manufacturing or compounding for sale, profit, or use any article, substance, or commodity, which tangible personal property enters into the processing of or becomes an ingredient or component part of the product or service which is manufactured, compounded, or furnished and the container, label, or the furnished shipping case thereof;

(f) to the storage, use, or consumption of any article of tangible personal property the sale or use of which has already been subjected to a legally imposed sales or use tax of another statutory or home rule county equal to or in excess of that imposed by the County. A credit shall be granted against the use tax imposed by the County with respect to a person's storage, use, or consumption in the County of tangible personal property purchased in another statutory or home rule county. The amount of the credit shall be equal to the tax paid by the person by reason of the imposition of a sales or use tax of the other statutory or home rule county on the purchase or use of the property. The amount of the credit shall not exceed the tax imposed by this proposal;

(g) to the storage, use, or consumption of tangible personal property and household effects acquired outside of the County and brought into it by a nonresident acquiring residency;

(h) to the storage or use of a motor vehicle if the owner is or was, at the time of purchase, a non-resident of the County and he purchased the vehicle outside of the County for use outside of the County and actually so used it for a substantial and primary purpose for which it was acquired and he registered, titled, and licensed said motor vehicle outside of the County;

(i) to the storage, use or consumption of any construction and building materials and motor and other vehicles on which registration is required if a written contract for the purchase thereof was entered into prior to the effective date of this use tax;

(j) to the storage, use, or consumption of any construction and building materials required or made necessary in the performance of any construction contract bid, let, or entered into, any time prior to the effective date of this use tax;

(k) to the storage, use, or consumption of construction and building materials by or on behalf of a common carrier by rail operating in interstate or foreign commerce when the storage, use, or consumption of the construction and building materials is pursuant to a contract with the state, a department or institution of the state, a political subdivision of the state, or a special district that allows the state, a department or institution of the state, a political subdivision of the state, or a special district to use the railroad's property or tracks for the provision of public passenger rail service; or

(l) to the storage of construction and building materials.

Section 3. THAT the use tax provided-for herein shall be applicable to every motor or other vehicle for which registration is required by the laws of the State of Colorado, and no registration shall be made of any motor or other vehicle for which registration is required, and no certificate of title shall be issued for such vehicle by the Department of Revenue or its authorized agents until any tax due upon the use, storage, or consumption thereof pursuant hereto has been paid. The use tax imposed hereby shall be collected by the authorized agent of the Department of Revenue in this county. The proceeds of said use tax shall be paid to the County periodically in accordance with an agreement entered into between the County and the Department of Revenue.

Section 4. THAT distribution of all sales and use tax collected by the Department of Revenue, pursuant to this proposal, shall be to the County, which shall expend such moneys as described herein.

Section 5. THAT except as provided by §39-26-208 Colorado Revised Statutes, as amended, any use tax imposed shall be collected, enforced, and administered by the County:

(a) Any person required to obtain a building permit within Larimer County and the owner of the real property shall be jointly and severally responsible for paying the Larimer County Sales and Use Tax. Prior to the issuance of a building permit, an amount of tax to be held on deposit shall be estimated by determining the building value for permit purposes and multiplying that value by a percentage prescribed by the Community Development Director. The County through the owner or contractor shall collect this amount. Upon payment of such sales or use tax deposit, the County shall issue a sales or use tax receipt identifying the address for which the purchase is being made and the county building permit number. It shall be the duty of the owner and/or contractor and subcontractors who are hired to do the stated work or any portion thereof to submit a project cost report to the Financial Officer, on forms authorized by the Financial Officer, stating the actual amounts of any purchases of fixtures or any other construction materials and supplies, tangible personal property and taxable services for such work and to remit any tax due in excess of the sales or use tax deposit. In any case, the general contractor and/or owner will be held liable for the payment of all taxes for such taxable materials and services.

(b) The owner and/or contractor shall keep and preserve all invoices, receipts and statements showing such purchases of construction materials and supplies, tangible personal property for a period of three (3) years after completion of construction. The County may, within that three-year period, conduct an audit of such records of the owner and/or contractor and any other relevant information to verify the actual cost of the construction materials and supplies, tangible personal property, and taxable services used therein to determine the actual tax due. If the actual tax due is more than that paid by the taxpayer, the Financial Officer shall serve a notice of determination, assessment, and demand for payment on the taxpayer notifying him or her of the deficiency which may include penalty and interest.

Section 6. THAT if the majority of the qualified electors voting thereon vote for approval of the county-wide sales and use tax, such county-wide sales and use tax shall be effective throughout the incorporated and unincorporated portions of the County beginning January 1, 2027, and continue thereafter.

Section 7. THAT revenues received by the County from the sales and use tax authorized hereby, net of expenses of the County in collecting, administering and enforcing such sales and use tax (the "net sales and use tax revenues"), and earnings from the investment of the net sales and use tax revenues shall be used only for the purposes set forth in this Resolution.

Section 8. THAT for purposes of State Constitution Article X, Section 20, the receipt and expenditure of the sales and use tax revenues and earnings from the investment of sales and use tax revenues shall be accounted for, budgeted and appropriated separately from other revenues and expenditures of the County and outside of the fiscal year spending of the County as calculated under Article X, Section 20, and nothing in Article X, Section 20 shall limit the receipt and expenditure in each fiscal year of the full amount of such revenues, nor shall receipt and expenditure of such revenues affect or limit the receipt or expenditure of any and all other revenues of the County for any fiscal year.

Section 9. THAT the ballot title and ballot question on the county-wide sales and use tax proposal that shall be referred to the registered electors of the County at the general election to be held on Tuesday, November 3, 2026, shall be as follows:

SHALL LARIMER COUNTY TAXES BE INCREASED BY UP TO $34½ MILLION ANNUALLY (ESTIMATED FIRST YEAR INCREASE STARTING JANUARY 1, 2027), AND BY ANY ADDITIONAL AMOUNT GENERATED EACH YEAR THEREAFTER, TO FUND COUNTY PURPOSES INCLUDING:

- WILDFIRE, DRINKING WATER SOURCE AREAS, AND NATURAL HAZARD RESILIENCE, INCLUDING PREVENTION, MITIGATION, PREPAREDNESS, RESPONSE, RECOVERY, WATERSHED PROTECTION, FOREST HEALTH, AND OTHER PROJECTS THAT REDUCE THE RISKS OR IMPACTS OF DISASTER;
- MAINTAIN, IMPROVE, AND CONSTRUCT COUNTY BRIDGES, ROADS, PARKS, TRAILS, OPEN SPACES AND OTHER RECREATIONAL LANDS TO IMPROVE SAFETY, ACCESS AND QUALITY OF LIFE; AND
- COMMUNITY RESILIENCE AND PUBLIC SAFETY, INCLUDING EMERGENCY SERVICES, WILDFIRE SUPPRESSION, ADMINISTRATION AND FUNDING OF PUBLIC BENEFITS, JUSTICE CENTER AND OTHER FACILITY IMPROVEMENTS, AND OTHER COUNTY PRIORITIES AND EMERGING COMMUNITY NEEDS;

BY ESTABLISHING A 0.3% (30 CENTS ON $100 PURCHASE) COUNTYWIDE SALES AND USE TAX, EXCLUDING SALES OF FOOD FOR HOME CONSUMPTION, GASOLINE, DIAPERS, PRESCRIPTION DRUGS AND CERTAIN OTHER ITEMS EXEMPT BY LAW; WITH ALL REVENUE SUBJECT TO AN ANNUAL INDEPENDENT AUDIT; AND SHALL THE COUNTY BE AUTHORIZED TO COLLECT, RETAIN AND SPEND ALL REVENUES FROM THIS TAX WITHOUT LIMITATION BY ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION (TABOR), ALL AS PROVIDED IN THE RESOLUTION REFERRING THIS BALLOT ISSUE?

__ YES

__ NO

Section 10. THAT expenditures of the tax revenue for the services and functions of Larimer County as described in this Resolution will support the planning, design, construction, improvement, operation, repair, maintenance, administration, and implementation of important public services, facilities and infrastructure.

Section 11. THAT the approval of this Resolution shall be considered Final Action for setting the ballot title and ballot question and final action for all other purposes under §1-11-203.5 Colorado Revised Statutes.

Section 12. THAT the conduct of the election shall conform, so far as practicable, to the general election laws of the State. The County hereby adopts the provisions of §1-11-203.5, Colorado Revised Statutes, as amended, as the exclusive procedure for protesting or contesting the content of the ballot title set forth above.

Section 13. THAT the cost of the election shall be paid from the general fund of the County.

Section 14. THAT the County Clerk and Recorder is hereby designated as the County's "designated election official" as defined in §1-1-104(8), Colorado Revised Statutes, as amended, as the person responsible for running the election, and is directed and authorized to take such action as may be necessary to call, hold and canvass the election in accordance with law.

Section 15. THAT pursuant to §29-2-104(5), Colorado Revised Statutes, as amended, the County Clerk and Recorder shall cause to be published the text of the proposal for a county-wide sales and use tax four separate times, a week apart, in the official newspaper of the County and each city and incorporated town within the County.

Section 16. THAT the County Clerk and Recorder shall cause to be published the notice required by §1-5-205, Colorado Revised Statutes, as amended, within the required timeframe and containing the information required by law. Such notice shall also be posted as required by §1-5-205(1.3), Colorado Revised Statutes, as amended.

Section 17. THAT the County Clerk and Recorder shall cause a notice to all registered electors of the County to be mailed in accordance with Article X, Section 20(3)(b) of the State Constitution and other applicable laws. Such notice shall be in the form and contain the information required by law.

Section 18. THAT a written notice of this Resolution, which includes the text of the measure that will appear on the ballot (***Section 9***), shall be submitted by the Larimer County Sales Tax Administration to the Executive Director of the Department of Revenue no later than fourteen (14) days after adoption of this Resolution.

Section 19. THAT a written notice of the adoption of this county-wide sales and use tax proposal by a majority of the registered electors voting thereon shall be submitted by the County to the Executive Director of the Department of Revenue no later than 45 days prior to the effective date of such tax, together with a certified copy of this Resolution.

Section 20. THAT the County is authorized to adopt such uniform rules and regulations as may be necessary for the administration and enforcement of the sales and use tax; and the Board of County Commissioners or their authorized representatives are hereby empowered to enter into and execute on behalf of the County any agreements necessary for the administration and enforcement of the sales and use tax. The Board of County Commissioners may change the procedures of collection of the sales and use tax, vendor fees, and the administration or enforcement of the sales and use tax, but may not add or eliminate exemptions without further voter approval, except the Board of County Commissioners may add, eliminate or change exemptions without further voter approval to reflect optional or mandatory changes in the exemptions as set forth in state law that becomes effective after the Board of County Commissioners adoption of this resolution.

Section 21. THAT the officers and employees of Larimer County and the Larimer County Clerk and Recorder are authorized to take all action necessary to carry out this Resolution pursuant to Colorado law.

Section 22. THAT if any provision of this proposal or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect the provisions or applications of this proposal regarding the sales and use tax which can be given affect without the invalid provision or application and to this end, the provisions of this proposal are declared to be severable.

ADOPTED this 25th day of August, 2026.

BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF LARIMER

Jody Shadduck-McN

Chair

ATTEST:

By:

Deputy Clerk of the Board

LARIMER COUNTY CLERK
SEAL
COLORADO

Approved as to form:

County Attorney