

RESOLUTION 2025-02

BOARD OF DIRECTORS CONFLUENCE EARLY CHILDHOOD DEVELOPMENT SERVICE DISTRICT

A RESOLUTION TO ENACT A SALES TAX IN THE CONFLUENCE EARLY CHILDHOOD DEVELOPMENT SERVICE DISTRICT FOR THE PURPOSE OF IMPROVING EARLY CHILDHOOD EDUCATION SERVICES WITHIN THE DISTRICT

WHEREAS, Sections 32-21-101 et seq., of the Colorado Revised Statutes ("C.R.S."), provides for the formation of Early Childhood Development Service Districts; and

WHEREAS, Section 32-21-111, C.R.S., provides that upon approval by the eligible electors within the District, the District shall have the power to levy a uniform sales and use tax throughout the entire geographical area of the District; and

WHEREAS, ballot issue 7A submitted to voters whether to approve a .25% sales and use tax to be imposed by the Confluence Early Childhood Development Service District (the "District") within Garfield, Pitkin and Southwest Eagle counties; and

WHEREAS, ballot issue 7A was approved by voters within those counties; and

WHEREAS, the District finds that the revenue from a sales tax would significantly assist the District in addressing the need to reduce the cost of child care and increase financial support for early education staff and facilities; and

WHEREAS, the District intends that its enactment of a sales tax as set forth herein shall comply and be interpreted to comply with the requirements of Section 20, article X of the Constitution of the State of Colorado; article 1, title 32 C.R.S.;; those provisions of article 2, title 29, C.R.S., as may be applicable to the District; and all other applicable provisions of law (collectively, "*Applicable Law*").

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Confluence Early Childhood Development Service District that:

DEFINITIONS

Section 1. Definitions. All terms used in this ordinance shall have the same meaning as provided for in Section 39-26-102, C.R.S.

Section 2. Application of State Sales Tax. Unless otherwise provided in this Resolution and any amendments thereto, or pursuant to Applicable Law, the provisions of article 26, title 39, C.R.S., shall govern the collection, administration, and enforcement of this sales tax.

SALES TAX IMPOSED

Section 3. Imposition of Sales Tax. There is hereby imposed and there shall be collected a tax on all sales of tangible personal property and services described in Section 4 and occurring within the District. The tax is imposed as provided for in Section 32-21-111(a) C.R.S. The sales tax shall be set at a rate of .25 percent of the amount of each sale. The taxable amount of a sale shall not include the amount of any sales or use tax imposed by article 26, title 39, C.R.S.

Section 4. Property and Services Taxed. The sales of tangible personal property and services taxable under this sales tax shall be the same as the sales of tangible personal property and services taxable pursuant to Section 39-26-104, C.R.S.

Section 5. Place of Sale. For the purpose of this sales tax, all retail sales are sourced as specified in Section 39-26-104(3), C.R.S.

Section 6. General Sales Tax Exemptions. The sales of tangible personal property and services taxable under this ordinance shall be subject to the same exemptions as those specified in part 7, article 26, title 39, C.R.S.

Section 7. Food. Notwithstanding any other provision of this sales tax regarding the taxation of food, this sales tax shall not apply to the following:

- a. Sales of food purchased with funds provided by the supplemental nutrition assistance program. For the purposes of this subsection (a), "food" has the same meaning as provided in 7 U.S.C. § 2012, as currently in effect and subsequently amended; and
- b. Sales of food purchased with funds provided by the special supplemental food program for women, infants, and children, 42 U.S.C. § 1786. For the purposes of this subsection (b), "food" has the same meaning as "supplemental food" provided in 42 U.S.C. § 1786, as currently in effect and subsequently amended.

Section 8. Cigarettes. This sales tax shall not apply to sales of cigarettes, as provided in Section 32-21-111 C.R.S.

Section 9. Sales to a Telecommunications Provider. This sales tax shall not apply to sales to a telecommunications provider of equipment used directly in the provision of telephone service, cable television service, broadband communications service, or mobile telecommunications service. It is the policy of this District that this exemption be applied in a uniform and nondiscriminatory manner to the telecommunications providers of telephone service, cable television service, broadband communications service, and mobile telecommunications service.

Section 10. Sales Subject to Specific Ownership Tax. Sales of personal property on which a specific ownership tax has been paid or is payable are exempt from this sales tax when the sale meets both of the following conditions: (i) the purchaser is a nonresident of the District or has his/her/its principal place of business outside the District and (ii) the personal property sold is registered or required to be registered outside the District's jurisdictional boundaries under the Colorado law.

COLLECTION, ADMINISTRATION, AND ENFORCEMENT

Section 11. Delivery and Notice to Colorado Department of Revenue of Approval of New or Changed Tax. Pursuant to Section 29-2-205(3), C.R.S., the District's DEO, Sheila Reiner, or legal counsel shall provide a copy of this Resolution and notice of its adoption and approval to the executive director of the Colorado Department of Revenue.

If the District subsequently makes any change to this sales tax that is permitted to be made without an election, and that will affect the Colorado Department of Revenue's collection of

the tax, the District's legal counsel shall also provide a copy of the change and notice of its adoption and approval to the executive director of the Colorado Department of Revenue.

Section 12. Colorado Department of Revenue to Enforce. The collection, administration, and enforcement of this sales tax shall be performed by the executive director of the Colorado Department of Revenue in the same manner as the collection, administration, and enforcement of the Colorado state sales tax, as supplemented by those provisions of article 2, title 29, C.R.S., as may be applicable to the District.

Section 13. Liaison. Pursuant to Section 29-2-213, C.R.S., the District's Board Chair and Attorney are designated as the District's liaison to the Colorado Department of Revenue. The District's Board Chair and Attorney are authorized and directed to make agreements with the executive director of the Department, receive distributions, share information, and take any other actions necessary for the proper administration of the tax imposed by this Resolution. The District's Board Chair and Attorney are authorized to delegate these duties to additional or alternate liaisons upon written notice to the executive director of the Department.

Section 14. Vendor Fee. To defray the retailer's expenses in collecting and remitting this sales tax, every retailer is permitted to retain 3.33% percent of the tax collected for the District. If the retailer is delinquent in remitting the tax, other than in unusual circumstances shown to the satisfaction of the executive director of the Colorado Department of Revenue, the retailer is not allowed to retain any amount under this section, and the executive director shall deposit the local vendor fee remitted in the state general fund in accordance with section 39-26-105(1)(c)(III), C.R.S.

GENERAL PROVISIONS

Section 15. Effective Date. This sales tax shall become effective on January 1, 2026.

Section 16. Duration. This sales tax shall continue until repeal by the Board of Directors or dissolution of the District.

Section 17. Amendment. This Resolution and the sales tax adopted herein may be amended by subsequent Resolution, unless otherwise prohibited by Applicable Law.

Section 18. Severability. If any portion of this Resolution or the sales tax adopted herein is declared to be void or ineffective by a court of competent jurisdiction, it shall be deemed severed from this Resolution. The remaining portions shall remain valid and in full force and effect.

Section 19. Authority Vested in District Officials. The District's DEO and staff are authorized and directed to take all action necessary and appropriate to effectuate the provisions of this Resolution and the sales tax adopted herein.

Section 20. References to Colorado Law. References to Colorado law are to the versions of those laws in effect at the time this Resolution was adopted as well as any subsequent amendments thereto.

THIS RESOLUTION was read, passed, and adopted by the Board of Directors of the Confluence Early Childhood Development Service District at the Regular Meeting held this 12th day of December 2025.

CONFLUENCE EARLY CHILDHOOD
DEVELOPMENT DISTRICT

By Carolynne Kraemer, Chairperson

ATTEST:

Amy Shirley, Secretary

Amy Shirley