

ORDINANCE NO. 4596

AN ORDINANCE AMENDING AND REINSTATING SECTION 3.12.070 OF TITLE 3 OF THE GRAND JUNCTION MUNICIPAL CODE CONCERNING THE EXEMPTION FROM SALES TAX OF SELLER INSTALLED AIRCRAFT PARTS

RECITALS:

In July of 2010 the City Council adopted Ordinance 4430, a modification to the City's tax code. The Ordinance exempted from City sales and use tax parts that are permanently affixed to or attached, by the seller, as a component part of an aircraft. The change was contemplated as an economic development incentive. The City Council determined that the incentive was necessary because of the ever increasing competition for aircraft work.

The change has been in effect for three years and in accordance with the original approval within sixty days of the third anniversary of the adoption of the Ordinance the City Council committed to consider the effectiveness of the Ordinance at achieving its stated purposes. Without further action by the City Council, the terms and provisions of Ordinance 4430 shall expire on the third anniversary of the effective date thereof.

At a work session on July 15, 2013 the City Council heard a favorable report on the Ordinance and the recommendation from the Executive Director of the Grand Junction Economic Partnership (GJEP) that the exemption be extended.

Because of the very mobile nature of aircraft, the owners and operators thereof have a high degree of flexibility when it comes to contracting for repair, restoration and refurbishment of their airplanes. Grand Junction has world renowned providers of aircraft services, instrumentation installation and aircraft restoration operations. The extension of the exemption is consistent with State law and many other states.

The City Council is committed to a fair and responsible tax code. The City Council is also committed to the principles of economic development and local prosperity. Part of that commitment is the recognition that tax policy is an effective way to sustain and grow our local economy and that from time to time adjustments must be made to it for the betterment of the community. As such the extension of the exemption shall again be reviewed in three years.

The City Council finds that this ordinance is consistent with its policy and purposes and is protective of the City's health and general welfare and

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION:

That Section 3.12.070 of the Grand Junction Municipal Code shall state as follows:

3.12.070 Exemptions from sales tax.

The tax levied by GJMC 3.12.030(a) shall not apply to the following:

(LL) THE SALE OF TANGIBLE PERSONAL PROPERTY THAT IS TO BE PERMANENTLY AFFIXED OR ATTACHED BY THE SELLER, AS A COMPONENT PART OF AN AIRCRAFT. PARTS SOLD TO AND TO BE PERMANENTLY AFFIXED OR ATTACHED BY THE PURCHASER OR SOMEONE ON BEHALF OF THE PURCHASER, OTHER THAN THE ORIGINAL SELLER ARE NOT EXEMPT FROM TAX.

THE EXEMPTION INCLUDES BUT IS NOT LIMITED TO, PARTS FOR THE AIRCRAFT'S ENGINE(S), FUSELAGE, INSTRUMENTATION, INTERIOR (SEATS, INTERIOR FIXTURES, FINISHES AND TRIM) AND PAINT.

Sunset Clause. Within sixty days of the third anniversary of the adoption of this ordinance the City Council shall consider the effectiveness of the ordinance at achieving its stated purposes. Without further action by the City Council, the terms and provisions of this ordinance shall expire on the third anniversary of the effective date hereof.

Introduced on first reading the 7th day of August, 2013 and ordered published in pamphlet form.

Passed and Adopted on second reading the 21st day of August, 2013 and ordered published in pamphlet form.



ATTEST:

Stephanie Sun
City Clerk


A handwritten signature in black ink, consisting of a stylized, cursive name.

President of the City Council Pro Tem

I HEREBY CERTIFY THAT the foregoing Ordinance, being Ordinance No. 4596 was introduced by the City Council of the City of Grand Junction, Colorado at a regular meeting of said body held on the 7th day of August, 2013 and that the same was published in The Daily Sentinel, a newspaper published and in general circulation in said City, in pamphlet form, at least ten days before its final passage.

I FURTHER CERTIFY THAT a Public Hearing was held on the 21st day of August, 2013, at which Ordinance No. 4596 was read, considered, adopted and ordered published in pamphlet form by the Grand Junction City Council.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said City this 22nd day of August 2013.


Stephanie Tuin, MMC
City Clerk

Published: August 9, 2013
Published: August 23, 2013
Effective: September 22, 2013

