

CITY OF GRAND JUNCTION, COLORADO

ORDINANCE NO. 5290

AN ORDINANCE AMENDING TITLE 3 OF THE GRAND JUNCTION MUNICIPAL CODE (GJMC) REGARDING ELIMINATION OF THE VENDOR'S FEE REDUCTION

WHEREAS, Section 3.12.100(b)(1) of the Grand Junction Municipal Code (GJMC) currently allows a retailer, as a credit against its tax liability, to deduct three and one-third percent (3⅓%) of the sum of the sales tax collected and any excess tax collected from the retailer's remittance to the City, up to a maximum credit of five hundred dollars (\$500.00) per filing for each taxpayer/sales account (the "vendor's fee"); and

WHEREAS, Section 3.08.050(k) of the GJMC currently allows a lodging vendor, as a credit against its tax liability, to deduct three and one-third percent (3⅓%) of the amount subject to the original lodging tax of three percent (3%) as a collection fee (the "lodging vendor's fee"); and

WHEREAS, the vendor's fee and lodging vendor's fee was originally adopted to offset administrative costs when sales tax reporting and remittance were performed manually; and

WHEREAS, with the implementation of modern electronic filing and remittance systems, the administrative burden associated with sales tax collection and reporting has been significantly reduced, and the continuation of the vendor's fee is no longer justified on that basis; and

WHEREAS, a substantially similar vendor's fee previously existed in state law, but the State of Colorado, through House Bill 25B-1005, has eliminated the state vendor's fee credit effective January 1, 2026; and

WHEREAS, other municipalities in Mesa County, including the Town of Palisade and the Cities of Fruita, Delta, and Montrose, have eliminated their vendor's fees, and numerous other home-rule municipalities across Colorado, including Westminster, Fort Collins, Colorado Springs, Lakewood, and Loveland, have likewise eliminated vendor's fees; and

WHEREAS, eliminating the vendor's fee in the Grand Junction Municipal Code will align the City's tax code with neighboring jurisdictions and other home-rule municipalities across the state, and is consistent with sound fiscal management and best practices in municipal finance; and

WHEREAS, elimination of the vendor's fee and lodging vendor's fee was discussed by and presented to the City Council of the City of Grand Junction, Colorado, and the

removal of the vendor's fee has been approved by City Council and incorporated into the City's Adopted 2026 Budget; and

WHEREAS, the City Council desires to amend the Grand Junction Municipal Code to eliminate the vendor's fee and lodging vendor's fee and to make conforming amendments necessary to implement that change.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION in consideration of and adoption of the foregoing recitals that the GJMC shall be amended as follows (additions shown in ALL CAPS and deletions shown in strikethrough):

SECTION 1

GJMC § 3.12.100

(b) Credits from Total Tax Liability.

~~(1) Vendor's Fee. A retailer's collection and remittance expense equal to three and one-third percent of the sum of the sales tax collected and any excess tax collected may be taken as a credit against sales tax paid on or before the due date. The credit shall not exceed \$500 per filing for each taxpayer/sales tax account. However, no such credit shall be allowed for any sales tax that is not timely reported and paid by the due date. Forfeiture of the vendor's fee shall be prima facie evidence that the taxpayer was in violation of this chapter. However, no such credit shall be allowed for any sales tax that is not timely reported and paid by the due date. Forfeiture of the vendor's fee shall be prima facie evidence that the taxpayer was in violation of this chapter.~~

~~(2) Amounts previously paid pursuant to a tax levied by a municipality may be credited against the tax due on transactions but only as follows:~~

~~(i) (1) When the present owner or user has previously paid a legally imposed municipal sales or use tax on the transaction or item; except that the amount of such credit shall not exceed the amount of tax on such transaction or item computed at the rate established by GJMC § 3.12.030(a).~~

~~(ii) (2) When the present owner or user of construction equipment has not previously paid a legally imposed sales or use tax attributable to any one municipality on the full price of such equipment, the credit shall be the aggregate value of all such taxes paid on such equipment up to the amount of tax due to the City on such equipment.~~

SECTION 2

GJMC § 3.08.050

~~(k) Vendors' Collection Fee. Vendors collecting and remitting the tax can, if such vendor is in compliance with the several provisions of this chapter, deduct three and one-third percent of the amount remitted subject to the original lodging tax of three percent (not including the 2019 lodging tax increase of three percent) as a collection fee.~~

SECTION 3

Effective Date.

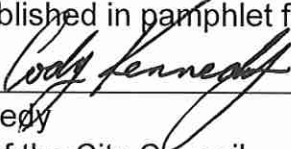
The effective date of this Ordinance is and shall be as provided in Article XVI, paragraph 136 of the City Charter.

Severability.

The officers of the City are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance. if any section, paragraph, clause, or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall in no manner affect any remaining provisions of this Ordinance, the intent being that the same are severable.


INTRODUCED on first reading the 3rd day of December 2025 and ordered published in pamphlet form.

PASSED AND ADOPTED on second reading this 17th day of December 2025 and ordered published in pamphlet form.



Cody Kennedy
President of the City Council

ATTEST:



Selestina Sandoval
City Clerk



I HEREBY CERTIFY THAT the foregoing Ordinance, being Ordinance No. 5290 was introduced by the City Council of the City of Grand Junction, Colorado at a regular meeting of said body held on the 3rd of December, 2025, and 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 day of the 17th of December 2025, at which Ordinance No. 5290 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 December 2025.



Deputy City Clerk

Published: December 6, 2025
Published: December 20, 2025
Effective: January 19, 2026

