

ORDINANCE NO. 4621

AN ORDINANCE CONCERNING SECTION 3.12.020 OF CHAPTER 3 OF THE GRAND JUNCTION MUNICIPAL CODE CONCERNING THE TAXABILITY OF FOOD PRODUCTS SOLD FROM MONEY OPERATED MACHINES

RECITALS:

On December 12, 2013 the City Council received a written request from and on behalf of the vending machine association to eliminate the taxation of food, candy and soft drinks sold through vending machines in the City.

At a work session on January 6, 2014 the City Council considered the request and additionally discussed taxation of food products, vended and not, including but not limited to soft drinks, candy, and other food.

Because the State law provides that carbonated water, soft drinks, chewing gum, candy, prepared salads, packaged and unpackaged cold sandwiches and beverages vended from machines in unsealed containers or cups are not "food" and accordingly are taxed by the State but other food is tax exempt, the City Council discussed whether to align the City tax code with that of the State.

The City Council is committed to a fair and responsible tax code and as a fundamental aspect thereof finds that this ordinance is consistent with its policy and purposes and is protective of the City's health and general welfare by establishing a consist and uniform standard of the taxability of food and food products sold from vending machines.

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

That Section 3.12.020 of the Grand Junction Municipal Code shall state as follows:

Candy means a preparation of sugar, honey or other natural or artificial sweeteners in combination with chocolate, fruit, nuts or other ingredients or flavorings in the form of bars, drops or pieces. Candy shall not include any preparations containing flour and shall require no refrigeration.

Soft drinks means nonalcoholic beverages that contain natural or artificial sweeteners. Soft drinks do not include beverages that contain milk or milk products, soy, rice or similar milk substitutes, or greater than fifty percent of vegetable or fruit juice by volume.

Food means food for domestic home consumption as defined in 7 U.S.C. Section 2012(g), as amended, for purposes of the federal food stamp program as defined in 7 U.S.C. Section 2012(h), as amended, except that "food" does not include carbonated water marketed in containers; chewing gum; seeds and plants to grow food; prepared salads and salad bars; cold sandwiches and delicatessen trays.

That Section 3.12.050(k) be added to the Grand Junction Municipal Code as follows:

The sales tax levied by GJMC 3.12.030(a) shall apply to the purchase price of the following:

For a period of three years from the effective date of Ordinance No. 4621 all sales and purchases of candy and soft drinks as defined in 3.12.020 by and through coin or other money (bills or cards) operated machines.

That Section 3.12.070(rr) be added to the Grand Junction Municipal Code as follows:

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

(rr) For a period of three years from the effective date of Ordinance No. 4621 all sales and purchases of food as defined in 3.12.020 by and through coin or other money (bills or cards) operated machines.

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.

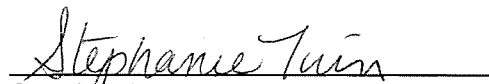
Introduced on first reading and ordered published in pamphlet form this 5th day of February, 2014.

Adopted, passed, and ordered published in pamphlet form this 19th day of February, 2014.



President of the City Council

ATTEST:



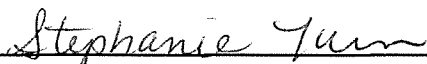
Stephanie Tuin
City Clerk



I HEREBY CERTIFY THAT the foregoing Ordinance, being Ordinance No. 4621 was introduced by the City Council of the City of Grand Junction, Colorado at a regular meeting of said body held on the 5th day of February, 2014 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 19th day of February, 2014, at which Ordinance No. 4621 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 25th day of February, 2014.



Stephanie Tuin, MMC
City Clerk

Published: February 7, 2014
Published: February 21, 2014
Effective: March 23, 2014