

ORDINANCE NO. 1561

AN ORDINANCE AMENDING THE SALES AND USE TAX ORDINANCE IN REGARD TO CASUALTY LOSSES.

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

That Section 16 of Chapter 24 be amended to read as follows:

"Section 16. The term `gross taxable sales' shall mean the total amount received in money, credit, property, (excluding the fair market value of exchanged property which is to be sold thereafter in the usual course of the retailers business, and, in the case of replacement of an item totally destroyed by Act of God or other casualty, excluding the fair market value of the destroyed item immediately prior to its destruction but only to the extent that the transaction is not subject to insurance coverage and the taxable amount exceeds \$1,000.00) or other consideration valued in money for the sales and purchases at retail within the City, and embraced within the provisions of this Chapter. In case of a sale on credit, a contract for sale wherein it is provided that the price shall be paid in installments and title does not pass until a future date, chattel mortgage or a conditional sale, the total tax based on the total selling price shall become immediately due and payable. This tax shall be charged and collected by the seller. The provisions as to trade-in and casualty loss computation shall also apply in the computation of use tax as applicable.

"(1) PROVIDED, that the taxpayer may take credit in his report of gross sales for an amount equal to the sale price of property returned by the purchaser when the full sale price thereof is refunded, either in cash or by credit;

"(2) AND PROVIDED FURTHER, that the fair market value of any exchanged property which is to be sold thereafter in the usual course of the retailer's business, if included in the full price of a new article, shall be excluded from the gross sales;

"(3) AND PROVIDED FURTHER, that taxes paid on the amount of gross sales which are represented by accounts not secured by conditional sale contract or chattel mortgage and which are found to be worthless and are actually and properly charged off as bad debts for the purpose of the income tax imposed by the laws of the State of Colorado, may be credited upon a subsequent payment of the tax herein provided; but if any such accounts are thereafter collected by the taxpayer, a tax shall be paid upon the amounts so collected. Such credit shall not be allowed with respect to any account or item therein arising from the sale of any article under a conditional sale contract whereby the seller retains title as security from all or part of the purchase price or from the sale of any article when the seller takes a chattel mortgage on the article to secure all or part of the purchase price."

PASSED and ADOPTED this 7th day of May, 1975.

Lawrence L. Kozisek

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President of the City Council

ATTEST:

Neva B. Lockhart

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City Clerk

I HEREBY CERTIFY that the foregoing ordinance, being Ordinance No. 1561, was introduced, read, and ordered published by the City Council of the City of Grand Junction, Colorado, at a regular meeting of said body held on the 16th day of April, 1975, and that the same was published in the Daily Sentinel, a newspaper published and in general circulation in said City, at least ten days before its final passage.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said City this 8th day of May, 1975.

Neva B. Lockhart

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City Clerk

Published April 18, 1975

Published May 9, 1975

Effective June 8, 1975