

C. Revenues Derived – Disposition

Revenues derived from the Lodging Tax shall be imposed by this ordinance shall be allocated as follows: 75% to the Parks, Open Space and Trails Fund and 25% to the Rico Business Association. The Town may decide to re-allocate the 25% of revenues to the Rico Business Association to such other purposes as the Town deems appropriate by ordinance.”

Article IV EXCISE TAX is hereby enacted to read as follows:

A. Purpose

The purpose of this Article is to impose an Excise Tax at the rate of \$2 per square foot on all new construction in order to generate necessary funds for the provision of public capital improvements to serve the increased demands for public services caused by new construction. The Excise Tax is not an *ad valorem* tax on real property and is not related to the value of real property construction.

B. Definitions

“Square Foot” means the square footage of construction as is defined and calculated by the Rico Land Use Code, as may be amended from time to time.

“New Construction” means any new construction which requires a building permit from the Town of Rico as required by the Rico Land Use Code, as may be amended from time to time, but does not include re-modelling and repair of existing structures.

C. Procedure

The Excise Tax shall be due and payable upon the application of a building permit and prior to the receipt of a building permit. The Town shall not issue a building permit unless and until the Excise Tax has been paid. The issuance of a building permit without the payment of the Excise Tax shall not waive, negate, or estop the Town’s right to collect the Excise Tax.

D. Revenues Derived – Disposition

Revenues derived from the Excise Tax shall be imposed by this ordinance shall be allocated as follows: 25% to the General Fund, 25% to the Street Fund, 25% to the Parks, Open Space and Trails Fund and 25% to the Rico Fire Protection District

ARTICLE V. CAPITAL IMPROVEMENTS FUNDS

A. Separate Fund Category The Town shall establish and maintain a separate Capital Improvements category for the revenues derived from this ordinance that are allocated by voter approval to capital improvements in the General Fund, Street Fund and Parks, Open Space, and Trails Fund. Funds received and allocated towards Capital Improvements shall be restricted to such use only and may not be transferred to other funds or used for general

operation and maintenance expenses. Any agreement with the Rico Fire Protection District for the disbursement of Capital Improvements funds derived from this Ordinance and authorized by the November 6th election shall include a requirement that such funds be accounted for separately and used only for capital improvement purposes.

B. Definition

“Capital Improvements” means the purchase of real estate or equipment or construction of facilities, or any improvements related to such real estate, equipment or facilities, that has a useful life expectancy of five (5) years or greater.

Section 2. Emergency Ordinance. This ordinance is adopted as an emergency ordinance.

Section 3. Effective Date. This ordinance shall be effective immediately. The 1% increased Sales Tax Rate, 1% Lodging Tax, and \$2.00 (two dollar) per square foot excise tax shall take effect on the 1st day of January, 2002.

READ, MOVED AND APPROVED ON FIRST AND FINAL READING ON THE 12th DAY OF DECEMBER, 2001.

TOWN OF RICO, COLORADO

BY: Steve Snelling
Steve Snelling, Acting Mayor

ATTEST: Linda Yellowman
Linda Yellowman, Town Clerk

APPROVED AS TO FORM:

Eric James Heil
Eric James Heil, Town Attorney