

RESOLUTION NO. _____

**BOARD OF COUNTY COMMISSIONERS
COUNTY OF EL PASO, STATE OF COLORADO**

RESOLUTION TO AUTHORIZE A SALES TAX RELIEF PROGRAM FOR QUALIFYING RETAILERS IN THE RESTAURANT AND OTHER EATING PLACES, ALCOHOLIC BEVERAGE DRINKING PLACES, AND MOBILE FOOD SERVICES INDUSTRIES SEVERELY IMPACTED BY THE COVID-19 PANDEMIC

WHEREAS, due to the Coronavirus Disease (COVID-19) pandemic and the ongoing public health emergency that Colorado has been battling since March 2020, the State of Colorado has imposed capacity restrictions on many retailers in the state, particularly those in the restaurant and other eating places, the alcoholic beverages drinking places, and the mobile food services industries; and

WHEREAS, the State imposed capacity restrictions have caused these industries to suffer severe revenue declines and these specific industries are in particular need of relief in order to stabilize the economy throughout the County and to better position our local economy to recover from the COVID-19 pandemic; and

WHEREAS, this resolution allows a qualifying retailer in the restaurant and other eating places industry, alcoholic beverages drinking places industry, or mobile food services industry to apply for a rebate of up to \$700 a month of the 1% general fund sales taxes remitted for the months of July 2020 to February 2021; and

WHEREAS, in order to define a qualifying retailer, El Paso County will use the following definitions:

- (a) "Restaurant and other eating places industry" means establishments, not including establishments selling food from mobile vehicles, establishments presenting live theatrical productions and other entertainment facilities, hotels or bed and breakfast establishments, specialty food stores, vending machines, caterers or other food service contractors, or private cafeterias at workplaces, universities, or hospitals, that are open to the public, are known as restaurants, cafes, lunch counters, and carryout shops, and are primarily engaged in one of the following: (a) providing prepared food services at a fixed, physical premises to patrons who order and are served while seated, and who pay after eating; (b) providing prepared food services at a fixed, physical premises to patrons who generally order or select items and who pay before eating; or (c) preparing or serving specialty snacks or nonalcoholic beverages at a fixed, physical premises to patrons who pay before eating for consumption on or near the premises.
- (b) "Alcoholic beverages drinking places industry" means establishments that may make sandwiches or light snacks available for consumption, that are open to the public, and are known as bars, taverns, sales rooms, vintner's restaurants, brew pubs, distillery pubs, nightclubs, or drinking places primarily engaged in preparing and serving alcoholic beverages for immediate, on-premise consumption. "alcoholic beverages drinking places industry" does not mean breweries, distilleries, wineries, and retail liquor, or drug stores that offer tastings

(c) "Mobile food services industry" means retailers primarily engaged in preparing and serving meals, snacks, or nonalcoholic beverages for immediate consumption from motorized vehicles or nonmotorized carts. "mobile food services industry" does not mean retailers delivering food prepared only by third parties and does not mean retailers shipping meal kits, heat-at-home meals, or other unprepared food to consumers for home consumption.

WHEREAS, this rebate would equal a reduction of taxes equal to the 1% general fund taxes on the first \$70,000 in taxable sales for each month; and

WHEREAS, a qualifying retailer in El Paso County may be eligible for this rebate even with more than one physical or mobile location, but no more of than five of their locations will be eligible for this rebate; and

WHEREAS, no rebates will be available for special events or temporary places of business, not including retailers in the mobile food services industry; and

WHEREAS, in order to be eligible for the program, qualifying retailers must establish a 5% or greater loss of sales from third quarter 2019 to third quarter 2020, measured by the remittance of taxes for each of those quarters, and must be current in their sales tax remittances to El Paso County; and

WHEREAS, this program is limited to the General Fund portion of 1% County sales tax collections from July 2020 through February 2021, and no portion of the 0.23% restricted Public Safety Tax shall be rebated; and

WHEREAS, the County encourages other municipalities within the County to participate in this program to increase the available funding to these qualifying retailers, and if other municipalities wish to participate in rebating their own sales taxes, the County is willing to share the applications with these municipalities in order to reduce the administrative burden on both the retailer and the participating municipalities; and

WHEREAS, these funds support the El Paso County Strategic Plan's Goal No. 4 – consistently support regional economic strength.

NOW, THEREFORE, BE IT RESOLVED, the Board of County Commissioners hereby approves and authorizes this sales tax relief plan to aid in the relief of the qualifying retail retailers in the restaurant and other eating places, alcoholic beverages drinking places, and mobile food services industries severely impacted by the COVID-19 pandemic.

BE IT FURTHER RESOLVED that in order to carry out the intent of the Board described herein, Amy Folsom, County Administrator, is hereby authorized to execute any and all documents necessary with any municipalities who notify the County they want to participate in the program; and

BE IT FURTHER RESOLVED that the El Paso County Financial Services Department is authorized to create reasonable rules and procedures necessary to successfully implement this program.

DONE THIS 22nd day of December, 2020 at Colorado Springs, Colorado.

ATTEST:

**BOARD OF COUNTY COMMISSIONERS
OF EL PASO COUNTY, COLORADO**

By: _____
County Clerk and Recorder

By: _____
Chair