

**TOWN OF KEYSTONE
ORDINANCE NO. 2025-O-05**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF
KEYSTONE, COLORADO, AMENDING ORDINANCE 2024-O-14
REGARDING THE REMITTANCE OF LODGING TAX**

WHEREAS, the Town of Keystone (“Town” or “Keystone”) is a home rule municipal corporation created pursuant to Article XX of the Colorado Constitution; and

WHEREAS, by Resolution 2024-58, the Town Council (“Council”) approved the submittal to the registered voters of the Town of Keystone a ballot question regarding the imposition of a lodging tax of two percent (2%) on short-term rental lodging within the Town of Keystone, with proceeds of such tax to be used for capital improvements and public safety; and

WHEREAS, on November 5, 2024, a majority of the qualified electors the Town of Keystone casting ballots in the election voted in favor of the 2% lodging tax on short-term; and

WHEREAS, the Town Council adopted Ordinance No. 2024-O-14 to implement regulations for a lodging tax on short-term lodging in the Town of Keystone; and

WHEREAS, the Town Council desires to amend Ordinance No. 2024-O-14 to allow for a different remittance schedule to be consistent with the Colorado Department of Revenue.

**THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO,
ORDAINS:**

Section 1. The foregoing recitals are hereby affirmed and incorporated herein by this reference as findings of the Town Council.

Section 2. Repeal and replace subsections (a) and (b) of Section 7 of Ordinance 2024-O-14 to amend the remittance of lodging tax. Subsections (a) and (b) of Section 7 of Ordinance 2024-O-14 is repealed and replaced with the following language to allow for vendors to remit the lodging tax in a manner consistent with Colorado state sales tax. There are no changes to subsections (c) and (d) of Section 7:

Section 7. Vendor responsible for payment of tax.

- (a) **Amount:** Every Vendor shall add the tax imposed by Section 4 to the purchase price or lodging charge and is responsible for remitting the tax to the town. Vendors must calculate and pay the tax in a manner consistent with state sales tax payment requirements under C.R.S. § 39-26-109 and the accompanying regulations, including Colorado Department of Revenue Rule 1 CCR 201-4, Rule 39-26-109. Each Vendor must round tax calculations as directed by the Finance Director,

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using the following rounding rules: (1) Amounts of \$0.49 or less shall be rounded down; and (2) Amounts of \$0.50 or more shall be rounded up. The vendor must report and remit the rounded amount on its tax return.

- (b) **Returns:** Vendors must submit a tax return to the Finance Director for the preceding calendar months, along with the total amount due as specified in subsection (a). Vendors using the statewide sales and use tax system under C.R.S. § 39-26-802.7 may follow the reporting schedule, period, and due dates established by that system. The Finance Director has the authority to approve an alternative reporting and filing schedule for Vendors, which may differ from the standard statewide reporting requirement. Such alternative schedules may include, but are not limited to, quarterly, semi-annual, or annual reporting, **depending on the nature of the Vendor's business operations, transaction volume, or other relevant factors as determined by the Finance Director.** Tax returns must be completed by the Vendor or an authorized agent in the format prescribed by the Finance Director. The Finance Director may, through regulations, extend the deadline for filing and payment by up to one year.

Section 3. Severability. Should any one or more sections or provisions of this Ordinance be judicially determined invalid or unenforceable, such judgment shall not affect, impair, or invalidate the remaining provisions of this Ordinance, the intention being that the various sections and provisions are severable.

Section 4. Codification. This ordinance may be codified and numbered for purposes of codification without the need for further approval by the Town Council.

Section 5. Effective Date. This ordinance shall take effect thirty (30) days after publication.

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INTRODUCED, READ AND PASSED AS AN ORDINANCE, ON FIRST READING, AT A REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO, THIS 25th DAY OF FEBRUARY 2025.

Signed by:

Kenneth D. Riley

Kenneth D. Riley, Mayor

ATTEST:

DocuSigned by:

Madeleine Sielv

Town Clerk

APPROVED AS TO FORM:

Signed by:

Jennifer Madsen

Town Attorney

READ, PASSED AND ADOPTED WITH A ROLL CALL VOTE OF 5 IN FAVOR AND 0 OPPOSED ON SECOND READING, AT A REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO, THIS 11th DAY OF MARCH 2025.

Signed by:

Kenneth D. Riley

Kenneth D. Riley, Mayor

ATTEST:

DocuSigned by:

Madeleine Sielv

Town Clerk

APPROVED AS TO FORM:

Signed by:

Jennifer Madsen

Town Attorney