

O-2024-7

AN ORDINANCE

AMENDING TITLE 5 OF THE LAKEWOOD MUNICIPAL CODE TO ENACT A ONE-YEAR MORATORIUM ON THE ANNUAL ADJUSTMENT OF THE CITY BUSINESS AND OCCUPATION TAX RATE

WHEREAS, the City of Lakewood, Colorado, the "City", is a home rule municipality, organized and existing under Article XX, Section 6 of the Colorado Constitution;

WHEREAS, pursuant to Colorado Revised Statute § 31-15-501(1)(c), the governing body of the City of Lakewood has the power to license, regulate, and tax any lawful occupation;

WHEREAS, pursuant to such authority, the City previously adopted and enacted a Business and Occupation Tax Code (B&O Tax) codified at Lakewood Municipal Code (LMC) section 5.32, et seq., under which the City taxes the business and occupation of providing basic local exchange service within the City;

WHEREAS, pursuant to LMC § 5.32.025(B), the B&O tax is adjusted effective January 1st of each year by the percentage change in the U.S. Bureau of Labor Statistics Consumer Price Index for Denver-Boulder based upon the August report of the prior year;

WHEREAS, for the 2022 calendar year, the B&O tax rate was set at \$4.34 per line per month;

WHEREAS, due to the past year's high inflation rates, the annual B&O tax adjustment to be effective January 1, 2024, is set to increase the B&O tax by \$.24/per line, for a total tax amount of \$4.58 per line per month;

WHEREAS, the Lakewood City Council understands the financial strain that the past year's inflation has placed on Lakewood residents and desires to alleviate some of this strain by placing a one-year moratorium on the B&O annual tax adjustment;

WHEREAS, the Lakewood City Council approved a one-year moratorium on the annual rate adjustment provided for in subsection 5.32.025(B) for the 2023 calendar year, and the B&O tax remained at the 2022 rate of \$4.34 per line per month until January 1, 2024.

WHEREAS, the Lakewood City Council desires the B&O tax rate to remain at the 2022 rate of \$4.34 per line per month until January 1, 2025.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Lakewood, Colorado that:

SECTION 1. Amending Section 5.32.025 of the Lakewood Municipal Code.

Section 5.32.025 of the Lakewood Municipal Code is hereby amended by adding subsection "D" as follows:


D. There shall be a one-year moratorium on the annual rate adjustment provided for 5.32.025(B) for the 2024 calendar year, which shall cause B&O tax to remain at the 2022 rate of \$4.34 per line per month until January 1, 2025. This subsection "D" is repealed effective January 1, 2025.

SECTION 2. This Code amendment shall take effect thirty (30) days after final publication.

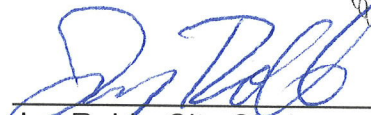
SECTION 3. If any provision of this Ordinance should be found by a court of competent jurisdiction to be invalid, such invalidity shall not affect the remaining portions or applications of this Ordinance that can be given effect without the invalid portion, provided that such remaining portions or application of this Ordinance are not determined by the court to be inoperable.

I hereby attest and certify that the within and foregoing ordinance was introduced and read on first reading at a hybrid regular meeting of the Lakewood City Council on the 8th day of April 2024; published by title in the Denver Post and in full on the City of Lakewood's website at www.lakewood.org, on the 11th day of April 2024; set for a public hearing to be held on the 22nd day of April 2024; read, finally passed and adopted by the City Council on the 22nd day of April, 2024; and signed by the Mayor on the 23rd day of April, 2024.




Wendi Strom, Mayor

ATTEST:


Jay Robb, City Clerk

APPROVED AS TO FORM:


Alison McKenney Brown, City Attorney