

1 **BY AUTHORITY**

2 ORDINANCE NO. \_\_\_\_\_  
3 SERIES OF 2018

COUNCIL BILL NO. CB18-0927  
COMMITTEE OF REFERENCE:  
4 Finance & Governance

5 **A BILL**

6  
7 **For an ordinance amending Chapters 32 and 53 of the Denver Revised Municipal**  
8 **Code to allow for third parties to collect or withhold the taxes imposed in Chapter**  
9 **53 of the Denver Revised Municipal Code and to pay over such taxes to the**  
10 **manager of finance.**

11  
12 **BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF DENVER:**

13 **Section 1.** That section 32-108 of the Denver Revised Municipal Code is enacted to read as  
14 follows:

15 **Sec. 32-108. Third-Party Collector License.**

16 (1) A third-party collector license shall, unless sooner revoked, be in effect until thirty-  
17 first day of December of the calendar year in which the license was issued.

18 (2) It is the duty of each licensee on or before the first day of January following the year  
19 in which the license was issued or renewed to obtain a renewal thereof if the licensee desires to  
20 continue engaging in third-party collection and remittance.

21 (3) No fee shall be charged for a third-party collector license.

22 **Section 2.** That section 53-10 of the Denver Revised Municipal Code is enacted to read as  
23 follows:

24 **Sec. 53-10. Third-Party Collectors.**

25 (1) **Legislative intent.** It is hereby declared to be the legislative intent of the city,  
26 acting through its duly elected representatives, that, upon obtaining a third-party collector  
27 license, a third-party collector shall be authorized to collect or withhold the taxes imposed in  
28 articles II through VIII of this chapter and to remit such taxes to the manager as set forth in this  
29 chapter.

30 (2) **Duties, responsibilities, and liabilities.** Upon obtaining a third-party collector  
31 license from the director of excise and licenses, a third-party collector shall become a collection  
32 agent for the city and shall assume all the duties, responsibilities, and liabilities of a vendor as  
33 set forth in articles II, III, IV, and VII of this chapter, an employer as set forth in article V of this  
34 chapter, a business as set forth in article VI of this chapter, or a telecommunications business as  
35 set forth in article VIII of this chapter.

1           (3)    **Third-party collector and the vendors, employers, businesses, or**  
2 **telecommunication businesses that it collects or withholds taxes for are liable for the**  
3 **taxes imposed in this chapter.** The third-party collector, as well as each vendor, employer,  
4 business, or telecommunications business for whom the third-party collector collects or withholds  
5 taxes for, shall be liable for the taxes imposed by articles II through VIII of this chapter. The  
6 manager may recover any unpaid taxes, penalties, and interest from the third-party collector, as  
7 well as each vendor, employer, business, or telecommunications business that is responsible for  
8 collecting or withholding the taxes imposed by articles II through VIII of this chapter.

9           (4)    **License.**

10           **Cross reference**—Licenses generally, Ch. 32.

11           (a)    **License required.** No person shall engage in third-party collection without  
12 first obtaining a third-party collector license from the director of excise and licenses pursuant to  
13 chapter 32 of the code. The failure to comply with this requirement is a violation of this chapter.

14           (b)    **Application.** The application for a third-party collector license shall be made  
15 pursuant to chapter 32 of the code.

16           (c)    **Approval by the manager of finance.** No application for a third-party  
17 collector license shall be acted upon by the director of excise and licenses unless approved by the  
18 manager.

19           (d)    **Revocation.** If a third-party collector fails to comply with any of the  
20 requirements of the code, ordinances or rules of the city pertaining to third-party collectors, the  
21 manager may make a written request to the director of excise and licenses to revoke the license of  
22 the third-party collector. A third-party collector license shall be revoked by the director of excise  
23 and licenses upon the written request of the manager only after notice and hearing as provided in  
24 article I of chapter 32 of the code.

25           (e)    **Appeal from revocation.** Any finding or order of the director of excise and  
26 licenses made pursuant to article I of chapter 32 of the code revoking the third-party collector  
27 license of any person or denying the licensing of any person engaged as a third-party collector  
28 shall be subject to review in the district court of the second judicial district of the state upon  
29 application of the aggrieved person, and the procedure for review shall be in accordance with that  
30 set forth in Rule 106(a)(4) of the Colorado Rules of Civil Procedure, as they may be amended from  
31 time to time and as any substitutionary provision may be made for review in the nature of certiorari.  
32 The decision of the district court may be reviewed in accordance with the Colorado Appellate  
33 Rules.

1 (5) **Bond.**

2 (a) **Requirement.** The manager may, in the manager's sole discretion, require  
3 an applicant for a third-party collector license to furnish a bond with a reliable surety company to  
4 be approved by the manager, which bond shall be conditioned to comply with all requirements,  
5 specifications and instructions of the manager and all of the requirements of the code,  
6 ordinances, and rules of the city, pertaining to third-party collectors, including the payment of all  
7 applicable tax, penalties, interest, fees, or costs.

8 (b) **Amount of bond.** An applicant for a third-party collector license shall furnish  
9 a bond in an amount sufficient to cover up to three months' tax liability, unless the manager  
10 determines that the facts warrant a different amount. The department shall not accept bonds for  
11 less than \$500. If the bond amount is calculated to be less than \$500, a \$500 bond is required.

12 (6) **Rules and Regulations.** The manager may prescribe such regulations following  
13 the procedures set forth in section 23 of this chapter as may in the manager's judgment be  
14 necessary or appropriate to carry out the purposes of this section.

15 (7) **Sunset.** This section shall be repealed, effective December 31, 2020.

16  
17 **REMAINDER OF PAGE INTENTIONALLY LEFT BLANK**

1 COMMITTEE APPROVAL DATE: August 28, 2018 by Consent  
2 MAYOR-COUNCIL DATE: September 4, 2018 by Consent  
3 PASSED BY THE COUNCIL: \_\_\_\_\_  
4 \_\_\_\_\_ - PRESIDENT  
5 APPROVED: \_\_\_\_\_ - MAYOR \_\_\_\_\_  
6 ATTEST: \_\_\_\_\_ - CLERK AND RECORDER,  
7 EX-OFFICIO CLERK OF THE  
8 CITY AND COUNTY OF DENVER  
9 NOTICE PUBLISHED IN THE DAILY JOURNAL: \_\_\_\_\_; \_\_\_\_\_  
10 PREPARED BY: Charles T. Solomon, Assistant City Attorney DATE: September 6, 2018  
11 Pursuant to section 13-12, D.R.M.C., this proposed ordinance has been reviewed by the office of  
12 the City Attorney. We find no irregularity as to form, and have no legal objection to the proposed  
13 ordinance. The proposed ordinance is not submitted to the City Council for approval pursuant to  
14 §3.2.6 of the Charter.  
15  
16 Kristin M. Bronson, Denver City Attorney  
17  
18 BY: \_\_\_\_\_, Assistant City Attorney DATE: \_\_\_\_\_