

ORDINANCE NO. 2025-04

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF MOUNTAIN VILLAGE, COLORADO, ADDING CHAPTER 3.06 TO THE TOWN OF MOUNTAIN VILLAGE MUNICIPAL CODE TO IMPOSE A TAX ON SKI TICKETS

WHEREAS, pursuant to Resolution No. 2025-0424-06, Series of 2025, the Town of Mountain Village Town Council ("Council") submitted a ballot question to the eligible electors of the Town of Mountain Village ("Town") requesting authorization of a tax on ski lift tickets at the regular municipal election held on June 24, 2025; and

WHEREAS, Article VIII, Section 8.4 of the Town's Home Rule Charter authorizes the Town to levy and collect taxes for municipal purposes, subject to the requirements of the Colorado Constitution for voter approval; and

WHEREAS, subject to the approval of a majority of voters at the election to be held on June 24, 2025, the Town Council desires to add a new chapter to the Town Municipal Code to implement the tax and to provide definitions, procedures, and penalties relating thereto.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF MOUNTAIN VILLAGE, COLORADO, as follows:

Section 1. The above recitals are hereby incorporated as findings of the Town Council in support of the enactment of this Ordinance.

Section 2. A new Chapter 3.06 of the Town of Mountain Village Municipal Code is hereby enacted as follows:

Chapter 3.06. Ski Ticket Tax

3.06.010 Purpose: Agreements Authorized

A. The purpose of this chapter is to impose an excise tax of five percent (5%) on the price paid for each single and multiday ski lift ticket purchased either within the town or elsewhere only for use at a ski area which has one (1) or more ski lifts located in whole or in part within the town during the annual period between November 1 and April 30. Admission to such a ski area pursuant to such a single or multiday ski lift ticket is a taxable privilege. It is the further purpose of this chapter to require a ski area operator to collect such lift ticket tax for the town, all as provided in this chapter.

B. The town is authorized to enter into one (1) or more agreements with any ski area operator related to the ski area operator's collection of such lift ticket tax for the town.

3.06.020 Definitions

A. The following words and phrases, when used in this chapter, shall have the following meanings:

DESIGNATED REVENUES: All revenues collected by the town pursuant to this chapter.

FINANCE DIRECTOR: The Finance Director of the town, or such person's designee.

LIFT TICKET: A right to use a ski lift at a ski area. A lift ticket shall include, without limitation, the right to use a ski lift at a ski area for one or more days by scanning a pass issued by (1) a ski area operator or (2) a partner of a ski area operator where such a right to ski generates a transaction between the ski area operator and the issuer of such a pass.

LOCAL SKI AREA: A ski area which has one (1) or more ski lifts located in whole or in part within the town.

RECORDS: Any books, accounts, papers, memoranda, or other records of a ski area operator for a local ski area, regardless of their form or format, that are or may be relevant to determining the amount of the tax due from such ski area operator.

SEASON PASS: All lift ticket products that provide access to a local ski area for the majority of the ski season, but not including transactions connected with a third party pass defined as a lift ticket, above.

SKI AREA: The area accessed by ski lifts designated and under the control of a single ski area operator.

SKI AREA OPERATOR: Any business entity having operational responsibility from time to time for a local ski area.

TAX: The tax payable to the town pursuant to this chapter.

TAXABLE LIFT TICKET: A lift ticket purchased at any time during the calendar year for use only at a local ski area during the annual period between November 1 and the following April 30.

3.06.030 Imposition of Tax

A. On and after one (1) minute after twelve o'clock (12:01) A.M., August 1, 2025, there is levied and there shall be paid by each purchaser of a taxable lift ticket an excise tax as described in this chapter. Such tax is due and shall be paid for the exercise of a taxable privilege.

B. The amount of the tax hereby levied is five percent (5%) of the actual purchase price of each taxable lift ticket, whether purchased within the town or elsewhere; provided, that a tax derived from calculations resulting in a fraction of a cent being a part of the tax shall be increased or rounded to the next whole cent.

C. To the extent that a taxable lift ticket may be sold as part of a bundled transaction including other products or services, the tax shall be calculated based on the standard retail sale price of the lift ticket charged by the Ski Area Operator to the general public. Subject to the exemptions set forth below in Section 3.06.050, it is the intent of this Chapter to tax the retail value of the lift ticket component of any transaction regardless of how the Ski Area Operator may choose to allocate such price within a given transaction for services and products.

D. The finance director is vested with the authority and discretion to interpret and administer the provisions of this Chapter including but not limited to determining the appropriate lift ticket price to be

taxed under Section C, above, or for bulk sales, taking into consideration discounts provided to all components of a bundled transaction and other equitable considerations to arrive at a fair market price.

3.06.040 Use of Tax Revenues

A. The revenues generated from the tax provided by this Chapter shall be used by the Town only for expenses related to Gondola transportation and for expenses related to the administration and collection of this tax.

3.06.050 Exemptions; Burden of Proof

A. The tax imposed by this chapter does not apply to:

1. Season passes;
2. Any passes or lift tickets sold for summer activities; and
3. Sales of lift tickets to government entities or tax-exempt charitable organizations as defined in Section 501(c)(3) of the United States Internal Revenue Code.

B. The burden of proving that any transaction is not subject to the tax implemented by this chapter shall be upon the person making such assertion.

3.06.060 Payment of Tax to Ski Area Operator

The tax imposed by this chapter shall be paid by the purchaser of the taxable lift ticket to the ski area operator that sold the taxable lift ticket.

3.06.070 Collection of Tax by Ski Area Operator

A. The tax imposed by this chapter shall be collected from the purchaser of the taxable lift ticket by the ski area operator that sold the taxable lift ticket. In collecting the tax the ski area operator acts as a collection agent for the town. Each ski area operator shall be liable and responsible for the collection of the tax as provided in this chapter.

B. The tax imposed by this chapter shall be added to the purchase price, charge, or other consideration paid for the taxable privilege of admission to a local ski area arising from the purchase of a taxable lift ticket.

C. A credit shall be allowed against the amount due to the town under this chapter for any tax that would be due for an unused single-day taxable lift ticket, or any unused portion of a multiday taxable lift ticket, the purchase price of which has been refunded by the ski area operator to the purchaser of the taxable lift ticket.

D. Nothing in this chapter shall be read as limiting in any way or at any time a ski area operator's sole and absolute discretion to alter the terms, conditions, or price of any lift ticket, to create a new type of lift ticket, or to add or remove access to one (1) or more ski areas located outside of the town without regard to any resulting change to the applicability of the tax to such a lift ticket; provided, however, that

any such ski area operator shall remain responsible for the collection and remittance of the tax on any and all taxable lift tickets.

3.06.080 Remittance of Collected Tax

- A. Each ski area operator shall file a return each month with the finance director on or before the twentieth day of each month for the preceding month and remit to the finance director all tax collected by such ski area operator during the preceding month.
- B. The finance director may, upon request of the ski area operator or other taxpayer, accept returns at such intervals as will, in the opinion of the finance director, better suit the convenience of the ski area operator or other taxpayer and will not jeopardize the collection of the tax, including an annual tax return. If any ski area operator or other taxpayer who has been granted permission to file reports and pay tax on other than a monthly basis shall become delinquent, then authorization for such alternative method of reporting may be revoked by the finance director or his or her authorized agent, and immediately following notice of revocation, the ski area operator or other taxpayer will be required to file reports and pay tax, interest, and penalties on a monthly basis for all unreported or unpaid tax in the same manner required by law under conditions that would prevail as if the ski area operator or other taxpayer had never been granted the alternate method of reporting and paying the tax.
- C. The tax return and tax remitted to the finance director shall be made in such manner and upon such forms as the finance director may prescribe.

3.06.090 Preservation of Returns and Other Records; Confidentiality

- A. Returns filed pursuant to this chapter shall be preserved for a period of three (3) years from the date of filing with the finance director, after which time the finance director may order them destroyed.
- B. Municipal Code Section 3.04.130, concerning confidentiality of tax returns and information, applies to tax returns and information provided to the town pursuant to this chapter.

3.06.100 Records and Accounts to be Kept

Each ski area operator shall keep and preserve suitable records of all sales of taxable lift tickets sold, and such other books or accounts as may be necessary to determine the amount of tax for the collection or remittance of which the ski area operator is liable and responsible hereunder. It is the duty of each ski area operator to keep and preserve all such books, invoices, and other records for a period of three (3) years following the date the taxes were due to the town. Such items shall be open for investigation by the finance director. When a ski area operator fails or refuses to file a return the tax may be assessed by the finance director and collected without regard to the statute of limitations.

3.06.110 Audit, Investigation, Collection, and Enforcement Procedures

Except for those provisions that by their terms cannot apply, the procedures for audit, investigation, and enforcement of the town's sales tax as provided in chapter 3.04 of this title shall apply to the audit,

investigation, and enforcement of the tax imposed by this chapter. Hearings and appeals shall be available under the procedures set forth in Section 3.04.180.

3.06.120 Tax in Addition to all Other Taxes

The tax imposed by this chapter shall be in addition to all other taxes imposed by law.

3.06.130 Administration by Finance Director; Rules and Regulations

The administration of all provisions of this chapter is vested in and shall be exercised by the finance director, who shall prescribe forms and formulate and promulgate reasonable rules and regulations in conformity with this chapter for the making of returns, the ascertainment, assessment, and collection of taxes imposed, and the proper administration and enforcement thereof.

Section 3. Severability. If any portion of this Ordinance is found to be void or ineffective, it shall be deemed severed from this Ordinance and the remaining provisions shall remain valid and in full force and effect.

Section 4. Repeal. Any ordinance of the Town or part thereof whose provisions are in conflict with this Ordinance is hereby repealed.

Section 5. Safety Clause. The Town Council hereby finds, determines, and declares that this Ordinance is promulgated under the general police power of the Town, that it is promulgated for the health, safety, and welfare of the public, and that this Ordinance is necessary for the preservation of health and safety and for the protection of public convenience and welfare. The Town Council further determines that the Ordinance bears a rational relation to the proper legislative object sought to be obtained.

Section 6. Effective Subject to Election. This Ordinance shall become effective only if the ballot measure imposing the tax is approved by a majority of the voters at the regular election on June 24, 2025.

Section 7. Public Hearing. A public hearing on this Ordinance was held on the 24th day of April, 2025, in the Town Council Chambers, Town Hall, 455 Mountain Village Blvd., Mountain Village, Colorado 81435.

Section 8. Publication. The Town Clerk or Deputy Town Clerk shall post and publish notice of this Ordinance as required by Article V, Section 5.9 of the Charter.

INTRODUCED, READ, AND REFERRED to public hearing before the Town Council of the Town of Mountain Village, Colorado on the 20th day of March, 2025.

TOWN OF MOUNTAIN VILLAGE:

**TOWN OF MOUNTAIN VILLAGE,
COLORADO, A HOME-RULE
MUNICIPALITY**

By: 
Martinique Prohaska, Mayor

ATTEST:


Susan Johnston, Town Clerk


HEARD AND FINALLY ADOPTED by the Town Council of the Town of Mountain Village, Colorado this 24th day of April, 2025.

TOWN OF MOUNTAIN VILLAGE:


**TOWN OF MOUNTAIN VILLAGE,
COLORADO, A HOME-RULE
MUNICIPALITY**

By: 
Martinique Prohaska, Mayor

ATTEST:


Susan Johnston, Town Clerk

Approved as to Form:


David McConaughy, Town Attorney

I, Susan Johnston, the duly qualified and acting Town Clerk of the Town of Mountain Village, Colorado ("Town") do hereby certify that:

1. The attached copy of Ordinance No. 2025-04 ("Ordinance") is a true, correct, and complete copy thereof.
2. The Ordinance was introduced, read by title, approved on first reading and referred to public hearing by the Town Council the Town ("Council") at a regular meeting held at Town Hall, 455 Mountain Village Blvd., Mountain Village, Colorado, on March 20, 2025, by the affirmative vote of a quorum of the Town Council as follows:


Council Member Name	"Yes"	"No"	Absent	Abstain
Martinique Prohaska, Mayor	X			
Scott Pearson, Mayor Pro-Tem	X			
Harvey Mogenson	X			
Peter Duprey	X			
Jack Gilbride	X			
Tucker Magid	X			
Huascar "Rick" Gomez	X			

3. After the Council's approval of the first reading of the Ordinance, notice of the public hearing, containing the date, time and location of the public hearing and a description of the subject matter of the proposed Ordinance was posted and published in the Telluride Daily Planet, a newspaper of general circulation in the Town, on March 26, 2025 in accordance with Section 5.2(d) of the Town of Mountain Village Home Rule Charter.
4. A public hearing on the Ordinance was held by the Town Council at a regular meeting of the Town Council held at Town Hall, 455 Mountain Village Blvd., Mountain Village, Colorado, on April 24, 2025. At the public hearing, the Ordinance was considered, read by title, and approved with amendment by the Town Council, by the affirmative vote of a quorum of the Town Council as follows:

Council Member Name	"Yes"	"No"	Absent	Abstain
Martinique Prohaska, Mayor	X			
Scott Pearson, Mayor Pro-Tem	X			
Harvey Mogenson	X			
Peter Duprey	X			
Jack Gilbride	X			
Tucker Magid	X			
Huascar "Rick" Gomez	X			

5. The Ordinance as amended on second reading was republished as required by the Charter on April 30, 2025.
6. The Ordinance has been signed by the Mayor, sealed with the Town seal, attested by me as Town Clerk, and duly numbered and recorded in the official records of the Town.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Town this 24th day of April, 2025.


Susan Johnston, Town Clerk
(SEAL)

