

**RESOLUTION NO. 63, SERIES 2010**

**A RESOLUTION CONCERNING THE TOWN OF TIMNATH,  
FOOD TAX REBATE PROGRAM**

**WHEREAS**, on April 5<sup>th</sup>, 2007 the Town of Timnath adopted Ordinance No 6, amending the sales tax rate on the sale of food, setting it at two and one quarter percent (2.25%);

**WHEREAS**, the term "food" in this Resolution is defined in Chapter 4 of the Timnath Municipal Code;

**WHEREAS**, the latest Bureau of Labor Statistics survey (2008) shows the average % amount of income spent on food for at home consumption was 7.4% for all ages and 8% for seniors.

**WHEREAS**, the Town Council recognizes the undue hardship this tax places on low income individuals and families within the community,

**WHEREAS**, the Town Council wishes to established a Food Tax Rebate Program, to ensure that the benefits of the Program reach those Town residents who are most in need; and

**WHEREAS**, the Town Council finds that it is in the best interests of the citizens of Timnath to establish the Program as set forth in this Resolution.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE  
TOWN OF TIMNATH, COLORADO:**

**Section 1.** That the Town of Timnath Food Sales Tax Rebate Program shall be as follows:

**Town of Timnath Food Sales Tax Rebate Program**

A. Food Tax Rebate:

The Town may rebate to Qualifying Households a set amount per household, from a table determined annually and based on the following formula:

[Annual household income limit for the number in the household, multiplied by 10% (average % of household income spent on food for at home consumption) times 2.25% (food tax rate), rounded to the nearest dollar.]

Said amounts may be available to qualified households who submit applications between April 1<sup>st</sup> and June 30<sup>th</sup> each year, for the previous year. In any year Town Council approves the rebates, the Town shall endeavor to issue rebates within 4 to 6 weeks of receiving the application and verifying its content.

B. Budget Availability and Initial Year Pro-ration of Table:

The Food tax rebate is dependent on budget availability each year, the table may be subject to adjustment during the budget process, and may factor in annual changes to the Area Median Income for the applicable household size as well as other related factors. The rebates will be pro-rated in 2010 to reflect groceries initially being sold in town from approximately May 1 – December 31, 2009. The initial year table, with the pro-ration is included below:

(50% of HUD Median Household) Larimer County, Colorado FY 2009  
Median Family Income: 75200 (Family of 4)

-----I N C O M E L I M I T S-----							
1 PERS	2 PERS	3 PERS	4 PERS	5 PERS	6 PERS	7 PERS	8 PERS
26300	30100	33850	37600	40600	43600	46600	49650
-----R E B A T E-----							
\$60	\$68	\$76	\$85	\$91	\$98	\$105	\$112
-----Pro-rated for 8 months in 2009-----							
\$40	\$45	\$51	\$57	\$61	\$65	\$ 70	\$ 75

C. Qualifying Households: The burden of proving entitlement to a rebate is on the applicant. In order to qualify, the applicant must meet the following criteria:

1. Residency:
  - a. Applicants must be current residents when they apply for the rebate, as well as residents at the end of the year the rebate is being applied for.
  - b. Resident is defined as "residing within the Town of Timnath city limits".
  - c. Acceptable proof of residence include rent or utility receipts, copy of drivers license with Timnath address, school records, etc.

2. Household Definition:

Family Members include:

- a. Everyone residing in the home at the end of the year the rebate is being applied for, one rebate per household.
- b. Proof of residence must be submitted for each family member.
- c. There is currently no cap on household size.
- d. Refunds will be solely based on income.

3. Income:

To qualify for a rebate, the household's annual household income shall not exceed 50% of the Area Median Income for the applicable household size in the Fort Collins-Loveland (Larimer County) metropolitan statistical area, as most recently published by the United States Department of Housing and Urban Development (HUD) for the previous year as of March 31 of the rebate year. A household may only apply for and receive one rebate per year.

4. Lawful Presence:

- a. Pursuant to Section 24-76.5-103 of the Colorado Revised Statutes, municipalities must verify that individuals who apply for public services are lawfully present in the United States.
- b. A Notarized Affidavit of Lawful Presence is required, and will become part of the application.

5. Application:

All persons desiring a rebate must complete a rebate application in the form approved by the Program Administrator. The applicant shall verify and sign the application under oath. If the applicant filed a federal tax return for that rebate year, a copy of that return must be provided with the application; if the applicant was not required by law to file a federal tax return for that rebate year, specific forms of income verification shall be required by the Program Administrator. The Program Administrator may require reasonable information to support the rebate application.

D. Program Administrator: The Program Administrator shall be the Town Manager or his/her designee. The Program Administrator shall approve the rebate application form and may audit and verify applications and adopt rules and regulations consistent with the provisions of the Town of Timnath Food Tax Rebate Program as defined herein. The Program Administrator will hear any citizen complaints regarding the Program.

**Section 2.** This Resolution shall be in full force and effect upon its passage and approval.

INTRODUCED, READ, ADOPTED AND APPROVED by the Town Council of the Town of Timnath, upon a motion duly made, seconded and passed at its meeting held on March 17, 2010.

TOWN OF TIMNATH



Donna Benson, Mayor

ATTEST:



Milissa McGuire, Town Clerk

