

**Construction Use Tax - Stakeholder Survey Summary**

<b>Q1. In the last 5 years, how many times have you applied for a building permit with the City of Boulder?</b>	
<b>Response Count</b>	115
Answered question	115
Skipped question	11

<b>Q2. What is your primary role?</b>		
	<b>Response Percent</b>	<b>Response Count</b>
Contractor	55.30%	68
Homeowner	29.30%	36
Other*	15.40%	19
	answered question	123
	skipped question	3

<b>Q3. If you are a contractor, how many years have you been in business?*</b>	
<b>Response Count</b>	70
answered question	70
skipped question	55

<b>Q4. If you are a contractor, are you primarily a:</b>		
	<b>Response Percent</b>	<b>Response Count</b>
Commercial contractor	16.9%	12
Residential contractor	63.4%	45
Commercial and residential contractor	19.7%	14
	answered question	71
	skipped question	54

<b>Q5. If you are a contractor, do you work:*</b>		
	<b>Response Percent</b>	<b>Response Count</b>
Only in Boulder	18.3%	13
In Boulder and other jurisdictions	81.7%	58
Comments*		58
	answered question	71
	skipped question	54

<b>Q6. Do you have suggestions for improving the city's construction use tax related policies and procedures?*</b>	
<b>Response Count</b>	103
answered question	103
skipped question	23

<b>Q7. What else would you like us to know?*</b>	
<b>Response Count</b>	84
answered question	84
skipped question	42

<b>Q8. Have you noted better communication, polices, and procedures regarding construction use tax collection and reconciliation in other jurisdictions? If so, please describe those procedures/approaches.*</b>	
<b>Response Count</b>	67
answered question	67
skipped question	59

<b>Q9. If so, please list the jurisdiction(s):*</b>	
<b>Response Count</b>	15
answered question	15
skipped question	111

<b>Q10. Have you seen this new educational handout that the city has been using since May 2009?</b>		
	<b>Response Percent</b>	<b>Response Count</b>
YES, I have seen the educational handout.	26%	27
NO, I have not seen the educational handout.	74%	77
	answered question	104
	skipped question	22

<b>Q11. Is this handout more helpful in understanding the processes related to permitting, fees and taxes?</b>		
	<b>Response Percent</b>	<b>Response Count</b>
YES, this handout is more helpful.	53.2%	25
NO, this handout is NOT helpful.	46.8%	22
Comments*		33
	answered question	47
	skipped question	79

\*Please refer to corresponding comments page

**Q1. In the last 5 years, how many times have you applied for a building permit with the City of Boulder?**

<b>Response</b>	115
Answered	115
Skipped	11
<b>AVERAGE</b>	<b>17.85 Years</b>

RESPONDENT DATE	RESPONSE	RESPONDENT DATE	RESPONSE		
1	11/09/2009	1	58	11/19/2009	1
2	11/09/2009	6	59	11/19/2009	6
3	11/09/2009	0	60	11/19/2009	1
4	11/09/2009	1	61	11/19/2009	1
5	11/09/2009	8	62	11/19/2009	1
6	11/09/2009	15	63	11/19/2009	8
7	11/10/2009	50	64	11/19/2009	10
8	11/10/2009	1	65	11/19/2009	0
9	11/10/2009	5	66	11/19/2009	8
10	11/10/2009	50	67	11/19/2009	1
11	11/10/2009	5	68	11/19/2009	10
12	11/10/2009	3	69	11/19/2009	3
13	11/11/2009	50	70	11/19/2009	1
14	11/11/2009	6	71	11/19/2009	3
15	11/11/2009	13	72	11/19/2009	1
16	11/11/2009	10	73	11/19/2009	0
17	11/11/2009	1	74	11/19/2009	2
18	11/12/2009	5	75	11/19/2009	15
19	11/12/2009	2	76	11/19/2009	0
20	11/12/2009	10	77	11/19/2009	1
21	11/12/2009	3	78	11/19/2009	0
22	11/12/2009	500	79	11/19/2009	0
23	11/12/2009	5	80	11/19/2009	0
24	11/12/2009	2	81	11/19/2009	1
25	11/12/2009	12	82	11/19/2009	10
26	11/12/2009	2	83	11/19/2009	0
27	11/13/2009	2	84	11/19/2009	10
28	11/13/2009	6	85	11/19/2009	1
29	11/13/2009	100	86	11/19/2009	3
30	11/13/2009	10	87	11/19/2009	125
31	11/13/2009	20	88	11/19/2009	0
32	11/13/2009	15	89	11/19/2009	30
33	11/13/2009	25	90	11/19/2009	0
34	11/14/2009	5	91	11/19/2009	2
35	11/14/2009	2	92	11/20/2009	3
36	11/14/2009	1	93	11/20/2009	2
37	11/15/2009	10	94	11/20/2009	7
38	11/15/2009	5	95	11/20/2009	15
39	11/16/2009	25	96	11/20/2009	65
40	11/16/2009	4	97	11/20/2009	1
41	11/17/2009	20	98	11/20/2009	1
42	11/17/2009	20	99	11/20/2009	100
43	11/17/2009	1	100	11/20/2009	15
44	11/17/2009	2	101	11/21/2009	1
45	11/17/2009	14	102	11/22/2009	3
46	11/18/2009	1	103	11/22/2009	8
47	11/18/2009	1	104	11/23/2009	10
48	11/18/2009	10	105	11/23/2009	7
49	11/18/2009	7	106	11/23/2009	12
50	11/18/2009	5	107	11/23/2009	1
51	11/18/2009	6	108	11/23/2009	25
52	11/18/2009	0	109	11/23/2009	15
53	11/18/2009	100	110	11/23/2009	0
54	11/18/2009	4	111	11/23/2009	4
55	11/18/2009	2	112	11/23/2009	2
56	11/19/2009	300	113	11/24/2009	0
57	11/19/2009	10	114	11/24/2009	1
			115	12/4/2009	1
			<b>AVERAGE</b>	<b>17.85</b>	

## Q2. What is your primary role?

	<b>Response Percent</b>	<b>Response Count</b>
Contractor	55.7%	68
Homeowner	28.7%	35
Other*	15.6%	19
	answered question	122
	skipped question	3

<b>RESPONDENT</b>	<b>DATE</b>	<b>OTHER (PLEASE SPECIFY)</b>
1	11/09/2009	advocacy for builders, remodelers, others
2	11/10/2009	Home Owner acting as General Contractor
3	11/12/2009	Architect/Design Build
4	11/12/2009	architect-contractor had not been determined
5	11/13/2009	Building Material Supplier
6	11/15/2009	architect
7	11/18/2009	Architect and Homeowner
8	11/18/2009	Sub Contractor - Energy Rater
9	11/18/2009	architect/construction manager
10	11/19/2009	Development
11	11/19/2009	architect
12	11/19/2009	property owner, designer
13	11/19/2009	Property Manager
14	11/19/2009	CPA for contractors and homeowner in Boulder
15	11/19/2009	architect
16	11/19/2009	Subcontractor
17	11/20/2009	Architect representing the homeowner
18	11/23/2009	Design Professional
19	11/23/2009	interested citizen

**Q3. If you are a contractor, how many years have you been in business?**

**Response Count** 70

answered question 70

skipped question 55

**AVERAGE** 17.99 Years

RESPONDENT	DATE	RESPONSE
1	11/09/2009	10
2	11/09/2009	15
3	11/09/2009	24 years in Boulder
4	11/10/2009	40
5	11/10/2009	10
6	11/10/2009	20
7	11/10/2009	15 years
8	11/10/2009	32+ years
9	11/10/2009	Three years, 30 years in business with large Co.
10	11/11/2009	20 years in Boulder
11	11/11/2009	+/- 30 years
12	11/11/2009	28 years
13	11/11/2009	27 years
14	11/12/2009	10
15	11/12/2009	8
16	11/12/2009	22 Years
17	11/12/2009	0
18	11/12/2009	5
19	11/12/2009	10
20	11/12/2009	7
21	11/12/2009	22
22	11/13/2009	12
23	11/13/2009	11
24	11/13/2009	20
25	11/13/2009	10
26	11/13/2009	20 years
27	11/13/2009	19
28	11/15/2009	35
29	11/16/2009	12
30	11/16/2009	7
31	11/17/2009	13
32	11/17/2009	13
33	11/17/2009	40
34	11/17/2009	7
35	11/18/2009	14

RESPONDENT	DATE	RESPONSE
36	11/18/2009	5 years
37	11/18/2009	10
38	11/18/2009	11
39	11/18/2009	16
40	11/18/2009	25
41	11/19/2009	35
42	11/19/2009	22
43	11/19/2009	9
44	11/19/2009	32
45	11/19/2009	3
46	11/19/2009	4
47	11/19/2009	5 years
48	11/19/2009	6
49	11/19/2009	15
50	11/19/2009	4
51	11/19/2009	30yrs
52	11/19/2009	20 years in Colorado
53	11/19/2009	21
54	11/19/2009	30
55	11/19/2009	5
56	11/20/2009	26
57	11/20/2009	11
58	11/20/2009	5
59	11/20/2009	30
60	11/20/2009	30
61	11/20/2009	40
62	11/22/2009	15
63	11/22/2009	28 years
64	11/23/2009	9
65	11/23/2009	20
66	11/23/2009	38
67	11/23/2009	20
68	11/23/2009	20
69	11/23/2009	30
70	11/23/2009	11
<b>AVERAGE</b>		<b>17.99 Years</b>

**Q5. If you are a contractor, do you work:**

	<b>Response Percent</b>	<b>Response Count</b>
Only in Boulder	18.3%	13
In Boulder and other	81.7%	58
Comments*		58
	answered question	71
	skipped question	54

<b>RESPONDENTS</b>	<b>DATE</b>	<b>IF YOU WORK IN OTHER JURISDICTIONS, PLEASE PROVIDE THE NAMES OF THE OTHER JURISDICTIONS:</b>
1	11/09/2009	Boulder County Westminster Lafayette Longmont Erie Broomfield Lakewood
2	11/10/2009	Boulder County, Louisville, Lafayette, & others
3	11/10/2009	Boulder County
4	11/10/2009	Boulder County Superior Lafayette Louisville
5	11/10/2009	Louisville, superior, broomfield, longmont, lafayette, erie, boulder county, and larimer
6	11/10/2009	Boulder County, Denver, Jefferson County
7	11/10/2009	I am an insurance restoration contractor, I will work anywhere, here are a few jurisdictions I am licensed. Boulder County, Longmont, Denver, Aurora, Westminster, Lakewood, Douglas County.
8	11/11/2009	Boulder and Gilpen county, Superior, Louisville, and Lafayette
9	11/11/2009	Longmont, Louisville, Lafayette, Loveland, Denver, Vail, Arvada, others
10	11/11/2009	Boulder County
11	11/11/2009	Broomfield, Denver, Lafayette, Littleton, Westminster, Longmont, Louisville, Sheridan, Commerce City, Aurora,
12	11/12/2009	City of Longmont City & County of Denver Broomfield Ft. Collins Louisville Englewood Thornton
13	11/12/2009	Entire Front Range
14	11/12/2009	Denver Jefferson County Adams County Broomfield Lafayette Lakewood
15	11/12/2009	Boulder County (I.e. Niwot, Lafayette, etc.)
16	11/12/2009	longmont weld county larimer county denver
17	11/13/2009	Boulder County
18	11/13/2009	springs to wyoming., boulder to aspen, casey jr high & boulder high alum.
19	11/13/2009	Longmont, Denver, Statewide
20	11/13/2009	Boulder County City of Louisville
21	11/13/2009	Denver, Arvada, Louisville, Lafayette, Lakewood, Centennial, Fort Collins, Golden, Thornton, Littleton, Longmont, Niwot, Boulder County,
22	11/15/2009	JEFFERSON, LARIMER, BOULDER COUNTY
23	11/16/2009	Longmont, Denver, Littleton, Golden and Boulder County
24	11/17/2009	Boulder County
25	11/17/2009	Boulder County
26	11/17/2009	All of Metro Denver; Aurora, Littleton, Englewood, Lakewood, Highlands Ranch, Centennial, Brighton, Castle Rock, Denver, Ft Collins, Loveland, Golden, etc
27	11/17/2009	Boulder County
28	11/18/2009	Jeffco, Boulder CO
29	11/18/2009	Denver, Centennial, Aurora, Wheat Ridge, Lakewood, Littleton, Loveland, Longmont, Fort Collins, Greeley, Broomfield, Westminster, Colorado Springs
30	11/18/2009	fort collins
31	11/18/2009	Boulder County, Lafayette, Louisville, Longmont, Niwot, Marshall, Erie,
32	11/19/2009	Multiple, all over the state. We are Boulder based.
33	11/19/2009	longmont lafayette louisville estes park frederick
34	11/19/2009	boulder county
35	11/19/2009	Denver Broomfield Littleton
36	11/19/2009	Superior, lafayette, denver, vail
37	11/19/2009	Denver, Adams County, Boulder County, Golden, Weld County
38	11/19/2009	Boulder County
39	11/19/2009	Longmont, Denver
40	11/19/2009	boulder county, lafayette, louisville
41	11/19/2009	City of Denver Jefferson County Arapahoe County
42	11/19/2009	Boulder County
43	11/19/2009	Boulder County, Longmont, Broomfield
44	11/20/2009	Boulder County Gilpin County City of Longmont City of Lafayette Town of Nederland
45	11/20/2009	Thornton, Westminster, Aurora, Arvada, Longmont
46	11/20/2009	Boulder County Longmont Louisville Lafayette
47	11/20/2009	lafayette, longmont, louisville, broomfield, superior, unincorporated boulder county
48	11/20/2009	Loserville, Longmute, Laffalot, Inferior, Nerdland
49	11/20/2009	Boulder county, Lafayette, Louisville, Longmont, others
50	11/20/2009	Longmont, Grand County
51	11/22/2009	Longmont, Boulder County, Lafayette, Erie
52	11/22/2009	Lafayette, Louisville, Longmont, Estes Park, Gold Hill, Vail, Beaver Creek, Boulder
53	11/23/2009	Boulder county, Denver
54	11/23/2009	Denver Aurora Lafayette Louisville Littleton Thornton Westminster Longmont Adams County Boulder County
55	11/23/2009	Louisville, Longmont, Lafayette, Denver, Erie
56	11/23/2009	Fort Collins Crested Butte
57	11/23/2009	Boulder County
58	11/23/2009	Longmont, Boulder County, Westminster, Weld County

**Q6. Do you have suggestions for improving the city's construction use tax related policies and procedures?**

<b>Response Count</b>	103
answered question	103
skipped question	23

RESPONDENT	DATE	RESPONSE
1	11/09/2009	Not particularly, but whatever you do I think the systems and principles should acknowledge the difference between a professional contractor (who presumably has staff, systems, and balance sheets) and a one off owner builder who is already crushed by buruacracy and costs.
2	11/09/2009	Simplify the use tax code language and the processes for accountability and payment. Make very clear what is taxed, what the contractor's obligations are and what the city's routine processes will be for verification. Unlink the tax reconciliation/collection processes from the any building department processes (other than initial collection and delivery of information.) Be more uniform and consistent in conducting routine audits such that there is an expectation that full amounts due will be reconciled and paid within an established timeline. Conduct more, or more aggressively promote, use tax informational classes. Attach clear information regarding use tax to all issued permits and again to all issued C.O.s. Try to model a revised code on more the common use tax language and processes of other jurisdictions, and particularly with other municipalities in Boulder County as well as with the County code. Both the lack of clarity and history of non-enforcement of the current code has caused contractors to rely, to their detriment, on the city's actions rather than their law. Additionally there is significant misunderstanding at issuance is, or isn't, relative to any further use tax obligation to the city. Review and revise the "completion letter" accordingly so no misrepresentation, or mis-understanding, is perpetuated.
3	11/09/2009	1. Allow contractors to provide their own valuation. When the city assigns the value to a building they have essentially taken ownership of what taxes are required to construct the project. 2. If the city plans continue to include the pre-payment of sales and use taxes, then these monies pre-collected should be placed into an escrow account paying interest to the contributing party until used. 3. Place a statement on the building permit application indicating prepaid taxes are an estimate and the permit holder is required to reconcile them at the end of the project prior to issuance of a certificate of occupancy or letter of completion. 4. Be simply and fair, the tax code is complex and not easily interpreted, remember you are dealing with lay people. Reading the code, it appears the city may have also dropped the ball in regards to collection of taxes by issuing a certificate of occupancy or letter of completion prior to full payment of said taxes.
4	11/09/2009	If the City intends to have contractors reconcile sales and use tax they must clearly state this policy at the time the permit and taxes are paid in advance. No other jurisdiction in which I have worked has ever done anything like this. If this policy is implemented, it should begin from a set date in the future and continue onward. To retroactively enforce this policy, especially during the worst economy in 35 years, after never having done so before is unfair, and it will put many businesses and homes at risk.
5	11/09/2009	Most subcontractors have not broken out their bids and their invoices for material and labor. The turnkey price is most common for nearly every sub who provides both material and labor. We have had to get subs to break this out for our Westminster jobs for the last couple of years due to the same reconciliation process. Westminster doubled the amount of material cost estimated thus doubling the permit use tax fee. When subs have broken out labor, it is usually between 40-60% of the total amount. When breaking out material costs in this way, the cost of the permit is close to what it was previously. Since Boulder has never asked for this, the numbers are not available for work done as long as three years ago. If this method were used correctly, most likely no extra use tax would be due--maybe even a refund.
6	11/09/2009	After this period of "re-examination" and the decision from City Council on how to move forward on this issue, please notify all licensed contractors, architects and anyone else in your Planning and Developmental Services database exactly what was decided and how the policy will be implemented. Do this with a mailing, better information when permits are first applied for and with a well written article or ad in the Daily Camera so that all those affected will clearly understand that the City is changing the way it has done business for the last few decades.
7	11/10/2009	YES--I've sent letters and will be at all your meetings. I have written 36 pages of procedures for our own company in an attempt to comply with city rules and have many unanswered questions. Your rules are vague and contradictory and are in need of a major over-haul.
8	11/10/2009	To hand out a letter to each contractor every time they submit for a building permit explaining the various steps to take regarding the Construction Use Tax.
9	11/10/2009	I have not been following this issue closely. I know that a permit in the city of boulder is 10 times more than a permit in another city. Same size project same year one in city of Boulder and one in city of Louisville--Boulder was \$20,000 Louisville was \$2000.00. Needless to say the client in Boulder hounded me the whole job to keep the cost down when such a large percentage went to the city. With new policies that the city of Boulder has with retailers like the Boulder home depot it has made it very difficult to buy anything there without going through a special process at the contractor desk just to get the tax break so a majority of the time we pay full tax even though we have all ready paid the city of boulder tax in the permit cost. Their list of exclusions if you go through the tedious process not pay double tax includes items like toilets and cabinets. They informed me that anything that can be removed is not covered, and cabinets can be removed quite easily. However, if these item are not to be included in total material cost of a project, then a kitchen remodel should have almost no permit cost on tax use sid use has always seemed unfair if not illegal.
10	11/11/2009	For my industry the calculation is incorrect, material cost will not be 50% of the contract amount. It is more like 30% additionally it is not always practicle or possible to give subs the permit number (sears, home depot for counter sales, ect.), this results in double taxation.

**Q6. Do you have suggestions for improving the city's construction use tax related policies and procedures?**

<b>Response Count</b>	103
answered question	103
skipped question	23

RESPONDENT	DATE	RESPONSE
11	11/11/2009	#1- Create a system that is clear and fair for every permit, not just ones over 20K. #2- Make an effort not to alienate the building community, as this process has. After all, it was a builder, with a permit, who put the roof over your head. #3- Verify that a raise in use tax, as current direction is heading, is a legal way to tax construction projects legally. Be prepared for legal challenge if it is not proved otherwise. #4- As use tax is only to be on materials, a clear list of WHAT materials are to be taxed, is needed. #5- Get finance and building department to agree on the process. #6- Make no reconciliation on past permits required. If it is approved by law, or voters, only ask for reconciliation in future when the parameters are known clearly from the start.
12	11/11/2009	be clear, honest, and if rules are made live by them and no going back. set what ever the game is going to be to going forward from what date that may be.
13	11/11/2009	Presenting information about sales use tax at the time the Building Department issues a building permit informing the purchaser of the permit that the tax is a deposit amount and that further sales tax will be issued. Working with the builder to come up with the appropriate project cost instead of telling us what the building is going to cost will give the Building Department more fees and lower the amount of sales use tax payments after the end of the project. Require that all sales use taxes and fees / pifs are paid before the CO is issued.
14	11/11/2009	The city should spell out any polices and procedures during the permit process. Use tax is a pass thru to clients for contractors; tell us what we owe when we pick up permits so we can charge the owner corectly. I don't think contractors should have the ultimate responsibility for the use tax. The property owner should be involved. On several projects, the property owners have submitted or obtained building permits for projects we have constructed. However, the staff holds the contractor responsible for the tax.
15	11/11/2009	1 Get the various departments talking to each other; especially Finance, who talks to noone. 2.This city does outreach to a fault. We have more open house on more crap than any place I know. I get notices of broken water mains instantaneously. Cone Zones, school closings, minutes of meetings, agendas for meetings, forms after forms. Can someone explain how we could not have known about this? Its because somebody in P &DS didn't want this to be known, or because they thought somebody else was doing it. You can try and communicate to us all day long, but if we don't get it, you're not communicating. 3. The form(s) are archaic, and simplistic. Most of us have job cost accounting software that could be programmed to dump out costs as they are accrued. Timing is the main issue. However, ther eis monumental confusion over what should be taxed. 4. The contractor cannot be the guarantor for the payment of this tax. We are an instrument in the information stream, but we are almost never the consumer of the materials. 5. See #4 above. 6. Keep it simple. It was simple. Now you're probably going to make it complex, but start and end at simple if at all possible. 7. See #4,5,6 above.
16	11/12/2009	I thought the tax policy was fine until I received a letter stating that I had to pay additional permit fees on projects that I completed more than two years ago.
17	11/12/2009	I am originally from Florida and have been building for over 20 years and believe Florida has the correct system whereby all fees are collected at building permit issuance and then you are done with no audit. An audit is difficult for both parties. I strongly suggest you put a system in place that is fair for both parties where you collect all fees up front. It really is not that difficult to determine actual construction cost if you get the input from the contractors now and then charge a SF cost to the permit. Everyone would be much happier knowing you are done with paying fees at the permit issuance and the City does not need to spend the time and money performing audits, which will only lead to frustration and cheating. You are only fooling yourself if you think an audit system will work. Charge what you need upfront and be done with it. Construction cost does vary from time to time so the City should have the right to adjust their per SF charge on an as needed basis. Please listen to us and don't be bullheaded. An audit svstem will not work.
18	11/12/2009	It is key for us to know what the cost of the sales tax and permit fees will be at the time they are paid. If the City uses a valuation system, it should be final. If they use the contract amount then that should be required at time of permit release and valuation. It is extremely difficult or impossible to go back to Owners years later and ask for more permit fees or sales tax. Also, the system for charging sales tax on equipment used in Boulder is ridiculous. Just because I use a piece of equipment for 1 month, or three onths on a Boulder job I have to pay sales tax on the full value even though the life cycle of the equipment could be 10 years or more???? Please make a system more equitable.
19	11/12/2009	I believe that the City should create a reconciliation process prior to Cert. of Occupancy, to assure everyone involved that all fees have been paid. Trying to retroactively collect these taxes, whether from homeowners or contractors, is neither fair, feasible, or enforceable. The contractors have no real responsibility for the taxes, since they were simply the name on the building permit application, and so will have to pass through the costs to the homeowners. Homeowners, like myself, are not going to pay-- they have a C.O., have finalized all bank payments and have concluded contracts with the GC. Is the City prepared to place liens on everyone whose property has received a building permit in the past 3 years? If not, I think the retroactive collection effort needs to stop, and the City needs to concentrate on improving the system as it moves forward.
20	11/12/2009	Provide some information to the contractors and the homeowners as to what the tax procedures and policies are. We have never been told or had it explained to us. When we pull a permit, we have always been under the understanding that once it is paid, it's paid for. I would have never assumed that a tax would be collected three years after a prooject is complete. This is the same assumption the home owners have had when they pull their own permits.

**Q6. Do you have suggestions for improving the city's construction use tax related policies and procedures?**

<b>Response Count</b>	103
answered question	103
skipped question	23

RESPONDENT	DATE	RESPONSE
21	11/12/2009	Do not implement the "retro-active use tax " !!! Will result in excessive expenditures to audit and substantiate past in-place construction. The Owners of each of the properties will be unfairly penalized for additional costs not originally addressed in the beginning budgets of projects. This past tense retroactive audit will not only be unfruitful to the City, but argumentative and difficult to document and necessitate extra overhead expenses on the part of Contractors that have long since "closed their books on many of these projects. Likewise, I can just see Boulder County "parroting" what the City of Boulder ends up doing and thus doubling the size of this future headache!!
22	11/12/2009	make it clear as to what the regulations are make it going forward
23	11/12/2009	Collect the taxes going forward and make it very clear to the contractors so they can make it clear to the owners. This process won't work well trying to go backwards as many of the houses have actually changed hands and this makes for a very unfair situation. It is the responsibility of the contractor to collect the money from the owner.....it is not the responsibility of the contractor to pay these fees.
24	11/13/2009	The tax burden lies with the ultimate beneficiaries of the materials being taxed, namely the property owner for whose benefit the permit is issued. The homeowner pays the "estimated tax" at the front end when the permit is issued. It is THEIR account re: materials tax that needs to be reconciled. You are now leveraging the contractor ( and damaging any goodwill in the professional construction community) to excise the tax when it is the property owners responsibility.
25	11/13/2009	leave as is, or lower use taxes. more people will improve there home & create more work, & raise property values even higher.
26	11/13/2009	Charge full tax amount at the start of all projects / and or permit release.
27	11/13/2009	Just allow us to pay the taxes as we purchase materials. Any other procedure is not as accurate and will end up being burdensome.
28	11/13/2009	Any reconciliation or additional funds must be dealt with while a project is active. Specifically I mean prior to finaling a permit on a project. As a contractor, my ability to charge a client for any cost including use taxes ends when the project is completed and my contractual obligations are met. It is unrealistic to expect that I can go back to a client / owner years after a project is complete and compel them to write a check for reconciling permit costs. Furthermore, if you pursue any funds from me as the contractor of record and I am unable to collect the money from the owner / client, you will force me to declare bankruptcy. I am all for the city receiving it's proper use tax proceeds, but it can't be a retroactive event. It must be a clear process so funds can be collected during the course of the project and held in reserve by the contractor so they are available at a reconciliation prior to permit final.
29	11/13/2009	Requirements need to be clear Sales and Use tax should be paid by end user (property owners, business owners, home owners) Use Tax should be finalize prior to the issuing of a CO or Letter of Completion The Owner or end user should be responsible for the ALL Sales and Use Tax reconciliation.
30	11/14/2009	Yes ... don't collect back taxes that will be nearly impossible for homeowners and contractors to rummage through their files.
31	11/14/2009	The biggest problem with the city's policy and procedure here is that it was effectively repealed and reenacted in a very different format in a retroactive fashion. The old practice was well established and all people involved, including the city, the contractors and the homeowners, acted in accordance with it. Making this change prospectively would be one thing as people could plan for it, both in terms of budgeting and of keeping the necessary records as the project moves on to allow for an accurate true up. If the retroactive nature of this change gets approved, contractors and homeowners will, at a minimum, have to engage in a substantial forensic accounting exercise to figure out whether they even owe any additional tax.
32	11/15/2009	I am not familiar with the use tax policies. I think it unacceptable to retro-actively demand payment for taxes after a building permit has been closed out.
33	11/15/2009	To institute a policy that enforces B.R.C.3-2-18(b) from this day forward would be in good spirit but to make its enforcement retroactive is definitely not.
34	11/16/2009	If the City wants to change the policy regarding the construction use tax, it should set a date in the future (i.e. starting Jan. 1, 2010) so all the Contractor's and Homeowners can add those additional costs into their budgets.
35	11/16/2009	I noticed in a recent permit I submitted for and picked up that a hand out explaining the use tax and procedures for reconciling at the end of the project was included in the permit package. This simple step made the process very clear to me should be required for all contractors on upcoming projects. All parties (builder, architect and home owner) should receive copies of this doc so there isn't a disconnect between who applied for the permit and who closes out the job.
36	11/17/2009	I think you need to update your assessment of the value (valuation) of the remodel project and collect the tax you feel is fair - call it sales tax, pre collected sales tax, use tax or whatever you want to call it. Then tell us about the changes and collect that tax from here forward.
37	11/17/2009	A number of my clients have already told me that they would not pay for additional permit charges this long after the fact. As a result, the proposed tax is not a tax on the end user, but is a tax on me. If you want to change the policy, fine, but do it going forward not retroactively. Or just charge me tax when I buy product.
38	11/17/2009	I know a few people this is effecting and it seems very backward and unfair. I would drop the entire retroactive tax idea and start fresh with a clear tax policy for building permits.
39	11/17/2009	Retroactive collection of this tax is a huge and unfair burden on contractors. Contractors need to know upfront, at the start of a project, how taxes will be collected.
40	11/18/2009	The estimated use tax collected at the time of the permit issuance should be changed to a binding amount. I.e. - the recent efforts to retroactively collect use taxes should never be allowed to happen again. Period.

**Q6. Do you have suggestions for improving the city's construction use tax related policies and procedures?**

<b>Response Count</b>	103
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RESPONDENT	DATE	RESPONSE
41	11/18/2009	I remodeled my home during the time period for which back taxes are being collected. My contractor filled out all the city's paperwork, including permit application using the city's formula for valuation. we received a letter of completion from the city. Now it has come to my attention that my contractor (and thereby me) may an additional few thousand dollars of taxes. My contract with the contractor was a fixed bid and i have paid him in full. I do not think it is fair for him to have to pay extra fees, since he did everything by the book.. I also do not think it is fair to ask me for additional fees, a year after my project is complete, when all the city's procedures were followed. No contractor I have spoken to has been aware of the supposed reconciliation process.
42	11/18/2009	An actual audit of actual costs tied to purchasing records. Maybe eliminate the up from tax and let it be collected at the point of sale like any other product. Having to pay for tax upfront on things that may not be purchased for months or more is a hardship and costs extra money.
43	11/18/2009	There should be a flat fee paid at the issuing of a construction permit. It should be based on the size of the project rather than construction cost. There is absolutely no reason someone should pay additional taxes because they choose marble instead of ceramic tile or cedar siding instead of vinyl or expensive decorative wood details (some examples) or choose to work with a more expensive, but more reliable contractor. What a waste of tax dollars to have audits conducted to gather a small amount of tax after a project has been completed. It is also a waste of time and energy for homeowners to have to keep records of everything spent. There is NO REASON a homeowner should pay additional tax on materials they ALREADY PAID tax on...both to the state and the city. People are being double taxed. It is understandable the city might be worried about a loss of revenue. In that case raise the level of my proposed flat fee higher.
44	11/18/2009	Communicate the City's policy on this accurately, then collect accurate amounts for Use tax prior to issuing Certificate of Occupancy.
45	11/18/2009	It's one thing to get your tax collection policies up to date and create the right systems for implementation. It's an entirely different game to change a policy that has severe financial implications to Contractors and make it retroactive...specifically if the jobs are finished and the contractor has no recourse in collecting that tax from the homeowner. It is absolutely wrong to collect a regressive tax. Fix the problem for the future, but don't go backwards.
46	11/18/2009	I care less about what the actual tax dollar amount will be and more about if it's predictable from job to job. I also care that it's easy and repeatably calculable for people outside of the profession. I indicated that I have picked up 100 permits in the last 5 years, which is a guess. I think it's conservative. Of those +/-100, I personally applied for maybe 10 of them. In ALL the other cases, either the building owner or architect applied for and valued these projects. I am called when the lease was signed and told to pick up the permit and start work. My point is that the permit applicant is often times different than the contractor and whether a budget is relied upon or not at time of application/valuation is neither none of my business or knowledge.
47	11/18/2009	Yes, Do away with the up-front tax! Let the vendors collect the tax. Boulder City will get exactly what is coming to them no more no less. They are doing the up-front charge because they are afraid the money will be spent outside the city. Tough. Often they get double tax anyway because most subcontractors work from a lump sum proposal and pay tax on their materials outside of the building permit. Many times, on my projects, the tax charged up-front isn't used up because of this. Perhaps the city would like to write me a check for the difference. There might be many like me!
48	11/19/2009	The building department and the sales tax division do not talk. Valuations used by the Building Department are not accurate. In the past, they have been very low. Currently they are very high. In either case the City does not get accurate taxes paid. Valuations need to be accurate so that correct taxes are paid at the time of permit issuance so that there is no need to go back and do an audit and pay additional taxes. Currently, though valuations the Building Department is using are too high. In some cases by 100%. This will mean that contractors will get rebates when audits are done.
49	11/19/2009	tell us up front what the regs are.
50	11/19/2009	1. Draw up clear rules that everyone can understand and follow. 2. Abide by them. 3. Set a time limit such as the duration of a project to reconcile accounts. 4. Make a clear end to liability such as completion of inspections and issue a certificate releasing homeowners and contractors of all further liability. 5. Any errors found after release mentioned in 4. need to be investigated internally and the delinquent staff member held responsible.
51	11/19/2009	no. as long as you give notice before the CO is issued, everyone can reconcile.
52	11/19/2009	City Planning & Zoning has standard rates which it applies to come up with permit costs from the outset. Fees should be all said and done upon permitting. If a builder comes in under their budget, that is their winfall, if they are over budget they are already taking a hit. The city's opportunity to accept the plausablity of a budget should be up front during the permitting process, period.
53	11/19/2009	No surprises
54	11/19/2009	The problem with the way this has been handled is that the city was not clear as to the fact that they will be reconciling the tax owed after a Certificate of Occupancy has been issued. In fact, the language of Certificate of Occupancy clearly states that all taxes have been paid. In fact, there are many contractors who have worked in Boulder for 30 years or more and have never had to reconcile the construction use tax. In fact, when I paid for my permit, I was told that the tax had to paid ahead of time in the permit fee, but nothing was said about reconciliation at all. I have no problem if the city wants to reconcile the tax owed for all future projects. The city needs to make this very clear to the homeowner so that an amount is provided in a project's construction budget. But I have a very big problem if the city suddenly reverses tax policy for past projects.

**Q6. Do you have suggestions for improving the city's construction use tax related policies and procedures?**

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RESPONDENT	DATE	RESPONSE
55	11/19/2009	The City of Boulder Planning and Inspection Departments are a complete joke. We purchased our new home in Boulder in July 1990. Well guess what, the inept Planning & Inspection Depts gave our builder a CO and we had two gas leaks that the city didn't identify. We have learned that the City inspectors are basically worthless when it comes to life-safety issues. So our only conclusion is that the city inspectors are only there to generate revenue for the city and not provide life-safety inspections. We wouldn't trust the city to provide a quality inspection at all. In fact we trust licensed contractors who know city codes more than the imbeciles who are worthless city inspectors and inspectors.
56	11/19/2009	Adjust the collection rules for future projects. It is inherently unfair and difficult, and places much pressure and shame on those who have completed projects and received C.O.'s from the City, to go to past customers requesting more funds. Should homeowners refuse to pay, many small businesses in Boulder will fold.
57	11/19/2009	Yeah be upfront and concise with the regulations. What the city is trying to do to its builders is unreal. Talk about cutting your nose off to spite your face.
58	11/19/2009	Clarity-- communicate all tax policies upfront and clearly at the time the permit is issued. The rules are so complicated-- not even the people at the planning dept front desk know how to explain them
59	11/19/2009	I understand the need for the City to tax the construction projects it provides permits for. However, trying to enforce additional tax responsibilities on working contractors goes too far. Most contractors, myself included, charge for permits up-front. It would be a hard (if not impossible) sell for us to go back to clients and ask for additional monies to cover newly discovered tax burdens. This means the working contractor pays out-of-pocket for tax liabilities he/she knew nothing about. There probably are a few contractors out there who can absorb this financial hardship, however, there are certainly plenty more who could not. For many contractors this would be the final straw for their business-already struggling in these hard economic times. I realize that the City is looking for new ways to find revenue to cover operating expenses and program costs that we all benefit from. Please do not burden the building community like this, though. I fear this idea could be a "nail in the coffin" for too many hardworking contractors and builders in this community. Thank you.
60	11/19/2009	Clearly, the city needs to be requiring documentation and payment of all taxes BEFORE signing off on certificates of occupancy or the last stage of a permit process. This is a massive screw up by the City; you have set your procedures in a downright stupid manner; fixing it going forward its the right thing to do; and you have no legitimate claim to collecting back taxes on account of it being your mistake.
61	11/19/2009	Taxes should be up front and not retroactive. It seems that the contractor should be able to come up with a "real" price and not go back to the homeowner years later for more money.
62	11/19/2009	Yes. It seems pretty simple to tie the final inspection to the reconciliation of taxes due.
63	11/19/2009	A courtesy mailer, or series of mailers to anyone who has pulled a permit but not yet filed the reconciliation form, reminding that the project is not complete until that form is filed.
64	11/19/2009	The contractor we have hired to do many projects at our house in the last 13 years does a lot of work in the City of Boulder. He was unaware of this reconciliation process that the City is now trying to enforce or start (I don't know which). Any back taxes that he is forced to pay will leave him in the very awkward position of collecting money from 1) previous clients who are not able to pay, 2)previous clients who are no longer in the area, 3) previous clients who refuse to pay, or 4) paying them himself. He will be out of business if he has to pay these out of his own pocket. If he had known that this process was going to happen, he could have included extra money for this in the budget. It is not as if he knew this was coming and collected the money and just pocketed it for his own use. I'm just as sorry as every other city resident that the City is facing a budget shortfall. (Who isn't right now?) However, this big a change in policy should not be enforced retroactively. The City should figure out a way to have these taxes collected either in advance or concurrently with the project. I know that a lot of contractors will be
65	11/19/2009	proceeds as originally planned. That's going to make a difference in the City coffers! I'm not sure why it was set up using a system that estimates taxes that will be due, rather than have the taxes paid at the time of purchase. The system that has been in place since at least 1981 seems to have had some very ugly unintended consequences, mostly years of taxes not being collected. From what I have seen in the City Council meetings and read, it wasn't clear that a reconciliation had to take place. There wasn't even a form to fill out until May 2009 at the earliest, and the staff did not even know how to collect if someone wanted to pay. Why can't the taxes paid on building materials be paid to the supplier of the materials at time of purchase? That seems to be a much simpler way to collect taxes, and it will also cut down on the amount of audits needing to be done. Not only will the city have a simpler process, they will have the tax that is due and save on the costs of audits.
66	11/19/2009	Revise the valuation process if need be starting Jan 2010, but don't make it retroactive. To collect a tax retroactively presents an enormous burden to homeowners in this economic climate.
67	11/19/2009	In a city with a supposed above average education and IQ, the city government really lacks this substance as evidenced by their many mistakes. The city needs to take responsibility for their shortcomings and prepare for the future instead of trying to collect back taxes. Just by waiving penalties doesn't make it "right". Even the IRS has statutes that state if they didn't catch it within 6 months the taxpayer isn't held liable in some circumstances. A similar mistake just happened with the City water meter readings. Another separate bill was sent out due to a city error costing a lot of money in paper, mailing, and administrative time for an already constrained budget for the separate mailing. While it didn't affect a single homeowner too greatly, our HOA budget was prepared before the corrected bill was issued which caused a large budget change, unnecessary time spent and administrative costs.

**Q6. Do you have suggestions for improving the city's construction use tax related policies and procedures?**

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<b>RESPONDENT</b>	<b>DATE</b>	<b>RESPONSE</b>
68	11/19/2009	First, let's stop using misnomers: it's not a 'use tax', but rather a sales tax on building materials. Second, the city's staff has created a far too complicated method of raising money from construction activity. It places too much of a burden on the public and encourages cheating. A far simpler approach would be to just raise the square footage multiplier and charge more money for permits. Period.
69	11/19/2009	I would suggest notifying home owners as to the actual costs related to the use tax. I find out when many clients apply for the permit they have no idea where these costs are generated from or even the time it takes us as Contractors to fill out and submit. When you the City took out the AD about Contractors should pay back
70	11/19/2009	Provide/require the sales tax reconciliation forms as part of the permit submittal process. Change your practice going forward but don't look backward. However, if you MUST look backward, charge a much smaller flat fee based on submitted total cost. For example, a \$100,000 project cost would owe the city \$100, a \$200,000 project cost would owe the city \$200, etc. This way, the city makes some money AND the builders don't get stuck with huge costs for retroactive sales tax on homes that were completed years ago when times were not so tough.
71	11/19/2009	Eliminate them.
72	11/19/2009	From here on out, set up the use tax to be paid before certificate of occupancy is released.
73	11/19/2009	As a homeowner who has a major remodel underway at the moment, I suggest that you collect the back taxes only for projects that have take place over the last 12 months. If the company I've hired to do my remodel came back to me in that time (with their tail between their legs) and told me that they had undercharged me, I'd be a bit incredulous, but I'd probably pay up. If they came back to me several years later with that story I'd tell them to go away - take me to court if you want, but on principal I won't pay more for it years later. Which, of course, means that they either lose me as a reference or they have to pay out of their pockets, which hurts their business and may make them charge more for future jobs to make up for the loss - which makes more people hesitant to pay higher prices, which slows business for them and for the county.
74	11/19/2009	We feel that whatever use tax policies & procedures are put into place, they should be enforced regularly and fairly. At such time that an error may be discovered in the manner that policies or procedures were incorrectly applied or enforced, the City should note the error to all parties involved, note what change will occur in the future due to the correction of enforcement, and move forward with all parties fully aware of what they will be held accountable for.
75	11/19/2009	The whole idea that it is a sales tax is very confusing. I do not have and sales tax license and I don't want one. It is just too much trouble to deal with. I pay the tax twice inside the city mainly because I don't want to have a tax license and deal with all that paper work. Also most of my materials are purchased from vendors outside of the city and I end up paying sales tax twice on those purchase too. I've always felt it is a crummy and confusing system. I would rather just pay a higher fee for the permit and be done with it. None of the builders I have talked to ever even heard of reconciling and going back to pay more at the end of project.
76	11/19/2009	Yes. It is punitive to retroactively collect project reconciliation costs from either contractors or the project owner when the failure to collect or reconcile these costs at the end of the project was not properly provided for in the City's procedures for the final project sign off. The City should revise its procedures so that project cost reconciliation is required before the City signs off on the work. The City should extend forgiveness for past amounts that were not reconciled because it was a follow-thru error on the part of the City, and the City should then establish new procedures to insure that this reconciliation be required and paid to the City before final project sign-off (occupancy issuance or other final sign-off documents). The person or department in the City that is responsible for this report and payment of project reconciliation should take responsibility for their procedural failures.
77	11/19/2009	Quit charging tax by permit, let us pay up front directly to vendors, eliminate all the paperwork, trouble, and city staff. Please simplify the system and make the fees calculable!
78	11/19/2009	This tax is reasonable, but should not be implemented retroactively. I don't think any contractors or home owners would object to the tax if they know in advance how to assess or pay for it. Consider how difficult it would be for a contractor if the property had been sold multiple times since it was first occupied. Once the city has signed off on the occupancy permit, the city should not be able to collect the tax. Title insurance companies would not allow a tax that was not identified at the time of sale. Contractors are having enough hard times with the recession. The City of Boulder should consider forgoing the collection of this back tax as a form of stimulus package to the economy. By saying as much, the city would earn the appreciation of the people and have a much easier time collecting the tax in the future. People have very long memories for being treated unfairly. Any use tax that the city decides has not been implemented correctly should always be instituted forward, not retroactively. I have had this happen to me when the city asked physician's offices to calculate and pay use taxes for supp
79	11/19/2009	city taxes and to do so for the back three years. This required hours and hours of research and calculation on the part of multiple staff. This and the use tax that was demanded retroactively from the I think that the whole concept is criminal. You can't retroactively ask for payments on completed projects. The City has already made it practically impossible to conduct business, and since you've made new building so difficult and costly, your fees are down, so you want to get more from what you had already approved!! You're all crazy to even suggest it.

**Q6. Do you have suggestions for improving the city's construction use tax related policies and procedures?**

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<b>RESPONDENT</b>	<b>DATE</b>	<b>RESPONSE</b>
80	11/20/2009	Whatever they do they need to have a well defined procedure and communicate it to all involved on construction projects. A simple procedure with no administration cost is to collect sales tax on all purchases for construction and eliminate the use tax altogether. This would eliminate many administration costs for the city. The procedure should consider the amount of time involved by both contractors and the city to calculate taxes. Again, the priorities should be well defined procedure, well communicated, and simplify.
81	11/20/2009	Do not attempt to reconcile.
82	11/20/2009	Yes, hire individuals that have a thorough knowledge of construction use tax policies and procedures..not just an accountant. Check their credentials.
83	11/20/2009	Insure that the use tax issue is very "public" and understood in it's intent and enforcement.
84	11/20/2009	1. Do not have contractors collect sales tax. Have sales tax levied at point of purchase. 2. If contractors are to collect sales/use tax, have a well detailed process with a detailed list of all items/materials on which sales tax must be collected. 3. Do not have contractors as the guarantors of sales tax collected.
85	11/20/2009	Yes! Don't collect use tax. It is obviously too complicated for the city to administer, and also for contractors to administer. Collect at point of sale. Any lost revenue from materials bought outside the city will be offset by revenue from people outside the city who buy materials in Boulder (McGuckin, Home Depot, Boulder Stove, Boulder Lumber, etc.) The use tax concept is flawed. It causes you to collect taxes in advance, which is extremely problematic--taxing materials that haven't been purchased yet. You determine the value, and we pay the tax. Your 50% rate is too high, and the alternative--an audit--is too onerous. Either way, the contractor's client and the contractor gets screwed. We're forced to make a "deal with the devil". This deal has been in effect for decades. Now the city is rescinding the deal RETROACTIVELY. As the rest of the world says--"only in Boulder!"
86	11/20/2009	Don't try to collect the sales tax up front. It results in a mess as you have found out. Contractors forget to have their permit w/ them when they go to a merchant and consequently end up paying the tax twice. Furthermore you can't estimate the amount of tax to collect up front. You don't know how costly the finishes are going to be. Sometimes a contractor has a lot of material in his inventory that he may use on a future project. This will also throw off your estimate
87	11/20/2009	As a homeowner/builder/contractor, I would say the experience in dealing with the Construction Use Tax was often tedious and frustrating. I tracked my costs fairly carefully and, while the estimation for the pre-paid tax was accurate, it was very labor-intensive and aggravating to have to nickel and dime my way with every supplier, vendor, and merchant to recoup the taxes paid on all of the construction goods. A great many of these parties were not even aware of the process nor equipped to handle these types of transactions. In the end, the same amount of tax is paid as though the materials were purchased conventionally, independent of the project, so it seems it would benefit everyone if the up-front payment were eliminated and any discrepancy in taxes paid/owed were reconciled at the end before permit closure.
88	11/20/2009	Don't charge use tax up front, your department evidently can't calculate it properly. Your permit department and finance department don't communicate effectively and they are telling us different things--View your website from time to time and you'll see. You are still, as of your last Sales/Use Tax Seminar giving misinformation regarding the requirements of contractors--TRAIN YOUR PEOPLE, ALL OF THEM! They are still telling people one thing and have for years and now you're telling us something else. Don't ever ask anyone for retroactive taxes when the city hasn't done its job properly. The proper order is: 1. Discover a problem, 2. Find a solution to the problem, 3. Create a procedure to handle the problem, 4. Train your people to implement the new procedure, 5. Train the public on the new procedure and implement it at a FUTURE date. I've NEVER heard of a business try to implement a procedure retroactively. We give employees raises retroactively, but we've never taken their pay away retroactively. IT CAN'T BE DONE LEGALLY. Take responsibility and be accountable for your own shortcomings and lack of procedures. When you get the new procedures to work, THEN you can ask us to comply.
89	11/20/2009	Proving financial information to the city breaks the trust and confidentiality agreement signed between the homeowner and contractor. In addition these financial information will become public record, and there is no guarantee the city will be able to keep such information secure. At the time a contractor applies for permit there are fees paid, it is not necessary to put additional burden on contractors when the profit margin is already so low for contractors. Also, paying tax again on subcontractor's material is just insane. Imposing construction use tax will force a lot of small businesses out of business, especially now when these fellow small business owner are already under so much economic pressure; before you know it there will be no contractors who will be willing work in Boulder. The impact on such tax is far greater than the officials ever imagined, loss of property values, diminished appearance etc. Contractors already pay sales tax on materials they purchase at the stores, having a construction use tax is an example of double taxation. Recommendation: leave the fees as is and do not assess construction use tax for contractors to credit contractors for the sales tax they already paid as part of the reconciliation.
90	11/22/2009	Make you changes going forward. Collecting retroactively will put us out of business.
91	11/22/2009	50% of the value is too high for materials. Audits are very time consuming and expensive to do. Most contractors buy only the major materials like lumber and windows. The subcontractors supply most of their materials and a lot of them don't deal with the "pre-paid" tax and some of their vendors won't acknowledge it, so they are paying the city tax on materials anyway. Let a group of contractors be a part of future tax policies to come up with a fair way to do this. We are willing to do this.
92	11/23/2009	Elimnate the pre-paying of the sales tax. This is most likely paid twice in many instances because there are purchases made in stores that haven't been set up to reduce the sales tax. Home Depot, for instance, is a huge hassle to set up the reduced tax. I end up just paying the extra 4% even when I have pulled a permit.
93	11/23/2009	I suggest implementing new policies going forward to ensure proper tax collections. A new policy should be drafted and put forward to the public for comment and adjustments if necessary.

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<b>RESPONDENT</b>	<b>DATE</b>	<b>RESPONSE</b>
94	11/23/2009	My contractor applied for the building permit. I was never told about the tax and he said the city had never asked for reconciliation in the past. It seems to me that ANY contractor with a license should know the policy and what the city requires them to do. The city does not appear to have done this.
95	11/23/2009	The policy as we understand it is that the use tax/permit reconciliation must be satisfied before a Certificate of Occupancy is issued. If this policy is/was enforced, the homeowners would have been billed for any difference and the matter would be closed. Because of the lack of enforcement and/or knowledge of this policy, the contractors are being unfairly targeted with no recourse to bill the homeowner because of the amount of time that has passed, ownership may have changed, homeowners would refuse to pay, the audit process would be lengthy and expensive, and the cumulative bill from the vast amount of retroactive time would be impossible to pay.
96	11/23/2009	Do not attempt to collect taxes retroactively.
97	11/23/2009	I support Boulder fixing the tax reconciliation process and applying the new process from this point forward. Retroactively collecting taxes is unfair and piercingly hostile to the business community. If the city had developed a mechanism for calculating and administering the reconciliation process all along, that would be fine. However, discovering an administrative mistake and then blaming your failure on one segment of the business community is unfair and detrimental to future business development within Boulder. I understand there is some question whether Boulder's statutes are clear about the application of this tax. Any sort of ambiguity about the intent of the statute reinforces my view that retroactive collection is wrong and unfair.
98	11/23/2009	Since the City is responsible for estimating the permit fees, accept the estimates as full payment of the taxes due and move on. Absent clear evidence that contractors were attempting to "game" the system by severely under-reporting projected job costs, the current mess was the City's mistake not the contractors. I understand that the City needs revenue, but retroactively exacting these payments may destroy the livelihoods and businesses of many good people who did nothing wrong. Moving forward, I find it difficult to believe that the City wants to spend the requisite resources to audit every building permit it issues. Moreover, contractors and homeowners deserve to know that once a final inspection has been conducted and a final bill has been submitted that no additional expenses are lurking in some bureaucrat's office.
99	11/23/2009	The simplest system would be to eliminate the use tax and rely on material vendors to collect sales tax at time of purchase, thereby using a collection system which is already in place and does not create additional reporting or audits from new parties. If a use tax is retained, the collection of the tax needs to be simple. Paying estimated tax with the building permit is fine, however, an audit or reconciliation at the end of the job would add unnecessary time and expense. I would recommend that the formula be reviewed and adjusted regularly and that it applies to the type of construction permitted, residential is different from commercial and maybe further broken down between remodel and new work. The audit form you have now made available in August of '09 states that a contractor can submit to a 50% rate which is roughly double what actual material costs are for typical residential project, or allow us to submit actual costs with receipts and signed affidavits from subcontractors. I would like to like to point out how difficult it will be to gather material breakdowns from subcontractors. This is a task they have no interest in doing and the gathering of this information would be difficult at best and impossible in practice. I strongly feel that if a contractor or homeowner purchases materials and then hires labor to fabricate items such as stairs or ductwork, that only the materials should be taxed, not the labor to fabricate them as stated in the example on the new form.
100	11/23/2009	Yes, I do have a suggestion for improving the city's construction use tax related policies and procedures. Don't invoke this obscure policy when the city is desperate for money, this appears to be a desperate action by desperate people. The "city" is not a thing, it's a collection of individuals and those individuals did not plan well for the down turn in revenue and are now scrambling to cover themselves. This is always a bad scenario as certain individuals or groups often times get mistreated at the expense of the group in a position of authority. No one likes a bully.
101	11/24/2009	There is nothing wrong with requiring taxes to be paid. However, it is totally wrong to finalize a tax, and then come back years later and claim a mistake was made. The City of Boulder will waste far more money fighting this in court and losing than they will ever gain in supposed back taxes.
102	11/24/2009	I understand that although the 1981 BRC code allows for reconciliation by permit holders and audits when requested the City has chosen not to enforce these features of the process. To require reconciliation retrospectively and without special notice to permit holders would appear to introduce undue stress on the relationship between the City and licenced contractors at a time of economic downturn. I suggest that the City informs future permit holders [at the time a permit is granted] of the intent to enforce reconciliation and audit provisions. This special notice should also be given to existing permit holders who have not yet completed the project identified in the last 3 years. However, this should not apply to projects that have already completed in my humble opinion.

**Q7. What else would you like us to know?**

<b>Response Count</b>	84
answered question	84
skipped question	42

RESPONDENTS	DATE	RESPONSE
1	11/09/2009	This is an outrage and simply unjust. Everyone participated by the rules and guidelines that were presented to them at the time. As an owner struggling to meet my mortgage in this economy---and someone who played by the rules---how you can you come to me for something that wasn't my fault and ask me for money I don't have? You should give an exemption for owner builders IF you decide to even proceed with this.
2	11/09/2009	The city should take a "go forward" approach, first clarifying for both city staff and contractors its processes/code, holding informational classes for contractors and working hard to get the news out, and set a future effective date for the "new" use tax provisions. I strongly recommend against conducting audits, seeking reconciliations, and enforcing collections prior to a future effective date. In part, the city received the shocked, angry and outraged response on this issue due to its past non-conformance with its own code and a failure to ensure impacted businesses were familiar with the code. But it is equally true that the city arrived at a "last straw" situation because it continues to make doing business all but impossibly for the residential construction/remodeling industry, or at the very least prohibitively expensive and exhausting. Through its repeated and ill-considered negative impact on the housing/remodeling industry, its perceived hostility to those in that industry, its relentless over-the-top regulation, increasing imposition of fees and extraordinary processing hurdles, the city has pushed this str reason than that the city relies on the construction industry to fund its many initiatives through use taxes, excise taxes, impact fees and delivery of affordable housing or cash in lieu, the city should try harder to see these business people as partners.
3	11/09/2009	Contractors play a vital role in the community, such as, supporting other businesses and families, participating in community efforts and contributions, yet as of late we do not feel we are welcome in Boulder (and I live here). We do not feel heard when important issues like Compatible Development are being decided, rather, get derogatory name calling by our own city council. I think better communications between such a large group that has an impact in our community, builders and developers, and the city is essential to enriching our community. We love Boulder as much as anyone and want our city prosper in every endeavor we desire.
4	11/09/2009	Requiring people to hunt down subcontractors and suppliers for signed affidavits, years after a project's completion, is nothing short of ludicrous. There is no reason not to accept invoices as proof of costs. Homebuilders get very little sympathy in Boulder, however, this attempt to retroactively collect additional sales and use tax years projects have been completed is so unfair and so wrong that even your more liberal constituents (such as myself) are furious about it.
5	11/09/2009	Prices have been established, negotiated and long since closed on most of the projects involved. The costs the City thinks it might be due (not much if the above method is used) are not fair to be calculated well after the fact. It is onerous and unfair to ask companies that are suffering and have employees who are stretched thin, even if they are still employed to have to deal with something like this. It is well beyond anything anyone could have contemplated.
6	11/09/2009	The idea of trying to implement this policy retroactively was, in my opinion, the worst idea to come out of Boulder City government in the 35 years I have lived here. I have never seen such a universal outcry against any issue in all those years. I would hope that the City will do a much better job in the future in thinking through policy changes as opposed to just lobbing a bomb out there to see what happens. The early efforts by the City to defend this sudden change were an embarrassment to all those of us that love this City.
7	11/10/2009	I'll tell you at the meeting.
8	11/10/2009	Please define the cost upfront. We can not cover these extra cost. We tell our clients how much they owe for the permit when we get the permit and it unseemly and extreme bad for our reputations and business to go back to a client years later and say you now owe me money so I can pay some unfair tax.
9	11/11/2009	I have been in this industry for 30 years, I have worked in boulder with my past employer. This is the only time I have been made aware of the reconciliation process. Had I been aware of this process (Maybe at the time of issuance of the permit), I would have required my subs to provide me with the audit information as part of their final draw. For me to go back to a number of my subs and request this information is difficult next to good luck.
10	11/11/2009	Applying use tax to 50% of a contract price is not accurate. A 10x10 kitchen might have \$5,000 of cabinets, or \$30,000 in cabinets. These are not subject to tax, so taxing 50% of the contract amount would be higher on the 30K cabinet job. More reason to dissuade Boulder citizens from building with increased "compatability" costs and likely increased use taxes. Very serious overall income and tax implications. It feels like the City is cutting the building industry off at the knees. If more and more potential remodeling clients decide not to build their projects due to the permitting costs, the City will still not get the income it is looking for!
11	11/11/2009	while i don't care to pay lawyers to do things, i'd rather pay to sue the city for what i believe is unjust appropriation of my money. we collect for the city i don't make money on your permits and fees. my grandparents fled russia because of the czar like activities of well you worked all day you already paid me your taxes now i want a little more indentured servant. i'm sorry that the city is short on tax money to pay for all the services but do like the rest of us do and adjust income and expenditures don't keep climbing on my back fro your money. if i set up the game i'd have contractors only pay permit and pif fees. let us pay sales tax at the point of sale, like everything else is done in our economic structure. besides retailers are set up to collect and moniter taxes as it is not in my job description.

**Q7. What else would you like us to know?**

<b>Response Count</b>	84
answered question	84
skipped question	42

RESPONDENTS	DATE	RESPONSE
12	11/11/2009	We picked up a permit in Oct, which was after the voluntary letters were issued, and no educational information was issued to us telling about the sales use tax required after the project CO was issued. It appears that the City Planning and Building Department has started handing out informational packets as of Oct 15 or the last permit I picked up from the City.
13	11/11/2009	I have worked in Boulder for over 30 years. I have never been asked to reconcile a permit. I was not aware that it was required. 30 years is a very long time not to have been asked to comply with a process. For a number of years now, the building department has told us what the cost of the work was. We were not allowed to state the cost of work but had to pay the fee determined by the building department. Right or wrong, we paid the fee! Now you want to collect money from contractors that we did not know we owed, we did not charge our customers for, and for an amount was determined by the city, not us contractors. This is absolutley unfair!!!!!!!
14	11/11/2009	We (contractors, et al) all operate in one of the most complex business sectors in any economy. Building codes, insurance variables, independent contractors, uncertain financing, illegal immigrants, Davis-Bacon wages, inclusionary zoning nonsense, HERS ratings, a building official who thinks its important to submit wet stamps for truss drawings, steep slope definitons, intense neighborhood conflicts, water budgets, subjective interpretations by plans reviewers, Housing officials who won't talk to planning officials, and employees who actually fear for their jobs if they don't enforce policies based on what a hysterical Council member said on Tuesday night (sadly some have left recently over perceived failures of enforcement), and now, use taxes. I can only hope the over regulation will stop some day. Whether they like us or not, the Council should realize we are a pretty substantial part of the local economy. We are not all building mansions, nor energy hogs. And we are everyone: designers, masons, septic installers. Comcast installers. survivors. sign makers. furniture makers. welders. truck drivers. lawyers. and should be stopped immediately. I don't think the Council had anything to do with the Finance Dept's call for retroactive taxes, but they can be the ones to put a stop to it. They already do enough damage to the community's reputation as a tough place to do business. they should stop this at least.
15	11/12/2009	The "voluntary compliance" letter that I received stated that I needed to reconcile my use tax for a permit that had a certificate of occupancy issued ten months previously. On this permit, I had gone to the planning and development office on two separate occasions during the building process in order to determine how much in use taxes and permit fees I would owe. I did this because I needed to have an exact figure for my budgeting and planning purposes. On both occasions, I was shown a piece of paper that outlined all of the required fees. When I was ready for the final inspection, I paid those fees. At no time did anyone from the City Planning office inform me that I would need to return to the office and "reconcile" my permit fee. Just like every other permit that I have pulled over the past ten years, I followed all of the instructions from the planning and development office. How is it possible that the department responsible for overseeing residential construction in Boulder cannot know its own rules and regulations? How is it possible that we as contractors should know rules that your own building dent. does inspection, should we assume that they don't know what they're talking about either?
16	11/12/2009	As a newbe I love Boulder and am proud to live here and I want the City to get your money so we can keep this City great. You must understand that paying upfront and being done with paying any more fees is so much better for us in how our financing and budgeting processes work.. Pleasee listen.
17	11/12/2009	This effort to collect taxes will put many Contractor's out of business.
18	11/12/2009	Jane Brautigam is doing an excellent job collecting input from contractors. However, I think more information needs to be given out to the general public, and more input solicited from the general public, because if the City proceeds with its collection efforts, the homeowners are going to be the ones on the line, not the contractors.
19	11/12/2009	Quite often a home owner will pull their own permit and list us as their General Contractor. They do this to save a little money not having to pay us to go through the permit procedure. We are then removed from the permit procedure and don't always have the information that they provided. As it turns out, the contractor is the one on the hook for any unpaid taxes. We have a couple of past clients that have done it this way and then sell the property and even move from the area. This makes it nearly impossible for us to attempt to collect the additional taxes. What a horrible time to try to collect additional taxes. I hear of contractors going out of business almost daily.
20	11/12/2009	If revenue shortfalls are the issue find alternative ways to generate revenue, maybe double or triple the amount of traffic cameras 24/7 throughout the City and have the Boulder Police dept. give more speeding tickets in the 20 - 30mph speed zones. Or start taxing people that DON'T have solar collectors in place thus making them feel unpopular, anti-green (i.e. "brown") and outcast from the "in-crowd".
21	11/13/2009	The retroactive nature of the enforcement is what is offensive. Closed out permits are just that- closed. State, or re-state the new policy clearly and move forward, not backward.
22	11/13/2009	you made the rules & we followed them. to change them in this economy will hurt all the contractors of boulder, & cost residents more per job. that means less permits for the city. wich will lead to less city employees, in permit office. i do work, alot of work for a man that buys alot of houses in boulder fixes & sells them. HE WILL NOT BUY IN BOULDER COUNTY, because land use taxes are a nitemare. he only buys in city of boulder. he said if this happens he will stop.
23	11/13/2009	This is unfair taxation related to FORMER
24	11/13/2009	You are hitting the people who obey the rules for obtaining permits and paying taxes. Onerous rules and back taxes will just increase the payoff for those who skirt the law. How about spending the enforcement money tracking down businesses who don't pay sales taxes at all and people who don't obtain permits at all?
25	11/13/2009	Retro-active collection of a sales and use taxes is incredibly unfair to contractors, home owners, business owners and property owners. The current municipal code is flawed. The policy and practice of reconciliation is new to me and I have been doing business in Boulder for two decades.
26	11/14/2009	The proposed retroactive application of what amounts to a new rule will impose significant hardship on homeowners and contractors. This is patently unfair as the homeowners and contractors honestly complied with the rules that were communicated to them by the city. It also is tantamount to the imposition of an ex post facto law which is prohibited by the U.S. Constitution.

**Q7. What else would you like us to know?**

<b>Response Count</b>	84
answered question	84
skipped question	42

RESPONDENTS	DATE	RESPONSE
27	11/15/2009	The letters should never have been sent without some public discussion. I recieved a letter for about 8 projects and am not a general contractor.
28	11/15/2009	If reconciliation is going to be imposed, information to this effect should be provided with the permit package. Specifically on the receipt showing Use Tax Paid.
29	11/16/2009	There is a huge burden being placed on the General Contractors to try to retroactively collect a construction use tax. Having worked in the City of Boulder for almost 25 years, there has never been a reconciling required after the project has been completed. To try and go back to collect this money, after the final documentation from the City has been received, which stated that all fees had been paid in full, is untenable. In some commercial cases, the clients are no longer in business. In many residential projects, the homeowners had carefully budgeted for their project and received new home loans based on the final cost. They don't have the additional funds at this late date to pay for something they were not aware they were responsible for. If these costs were known up front, everyone involved could have budgeted for them. Given the difficult economic situation we are all facing, this could be the factor that drives many Contractors out of business. Clearly that would not benefit the City.
30	11/16/2009	I've been a builder in the city for 7 years, performing 3-5 jobs/year and was never made aware of my obligation to reconcile the use tax at the completion of a project. What further complicates the issue is that in almost every one of my jobs, especially large ones, the owner or architect always applies for and picks up the permit. There is a disconnect at this stage because the owner/architect often don't know the true job costs involved in the project and don't pass the information on to the builder. It would be very disheartening for honest, hard working builders to be burdened with back taxes mandated by a city policy that wasn't clearly explained or enforced. In this economy I think many builders would be forced to shut their doors if required to pay back taxes.
31	11/17/2009	The retroactive sales tax is unfair. Untill quite recently (still????) the City was issuing permits with no infomation about the reconciliation requirement. There was not even a form available to accompany our reconcilations The permit office didn't know how to process a reconciliation. If we are liable many of us have clients who will not pay - and therefore we have to cover it ourselves We are outside any mechanics lien deadlines if you go back 3 years
32	11/17/2009	In this economy, additional unplanned fees on projects concluded years ago become a huge burden for small businesses as there is no quarantee that owners will be willing to contribute to helping pay the tax bill. Some of these small businesses will not be able to pay these fees and stay in business as they are barely hanging on by a thread as it is. It would seem to me that this ocurrence would diminish the tax base from which the City of Boulder would draw future funds from. Company employees are already being asked to be more productive to save costs by employing fewer people. Consequently, the review of job costs relating to five year old projects would tax those individuals further.
33	11/17/2009	Many contractors will go out of business if taxes are collected retroactively. Surely there is another way to raise revenue for the City? I think the City needs to become much more pro-local business, instead of doing so many things that make it difficult for local businesses to survive here.
34	11/18/2009	Please tell people (contractors/homeowners) upfront what you expect of them, provide reconciliation forms with permit paperwork (if that is what you want people to do) so legitimate honest business people and homeowners cannot be caught off guard like this. It is completely unfair to try to collect this "tax" retroactively, without anyone's prior knowledge of the process you expect.
35	11/18/2009	I have never been asked to provide any actual materials purchase info and was not ever aware of any policies requiring any reconciliation of material costs at the end of any permitted job. The retroactive request for audits and reconciliations is completely out of line and unjustified if there was never any system in place to accomplish this. CO's should never been issued if this was a problem. Contractors should not be liable for this either, as the materials used are the property of the property owners. I pass all job cost s on to the owner as i do almost all of my work on a cost plus fee or time and materials basis. Has the city ever considered the extra money gained by all the materials that get purchased with full tax rates unknowingly by ignorant homeowners and contractors or by purchases too small to deal with presenting the permit #. I would imagine it is a significant dollar amount that results from this unintentional "double dipping" by the City. I am frustrated with level of overregulation of the building business in Boulder and am tired of seeing these costs reflected in the ever increasing costs of permits. As on needless costs to my clients when I am going the extra mile already.
36	11/18/2009	Repeal the size limitation law recently passed. One of the worst, holier than thou, illogical laws I've ever heard of. Obviously this is the wrong forum, but as an architect it really limits our practice and as someone interested in sustainable ("green") design it could be highly restrictive....in terms of southern solar exposure, the ability to use double height spaces for 'stack effect' removing heated air, and for passive heating cooling. Development is happening all around us. We need intelligent development, not no development. The city should keep their nose out of the design department and stop trying to create a perfect universe. After all the look what the brilliant zoning laws have helped design: strip malls and subdivisions. There are much better incentives to "go green" and influence small houses.
37	11/18/2009	this is absolutely ridiculous and unfair to the contractor community...whom is already hurting from the economy and new regulations being adopted in the City for redevelopment. Dont kick us when we're down please.
38	11/18/2009	we double pay sales tax on almost every job in Boulder. there is just not an easy enough process for us to bring the permit receipt to all our vendors just for state and RTD. the manager at Home Depot can hardly tell you the difference between a framing nail and a drywall screw much less how to withold a tax on a transaction with 5 people behind you in line. only for the largest jobs and even then only for the few big ticket items would we even consider trying to avoid that additional tax. our big ticket items are usually interior finishes anyway which don't even require a permit anyway: furniture, casework, flooring, etc. I am a one man show in the office and assuming I could even find the records back that far it would cost me \$ 100 dollars in time and brain damage to prove to the City they owe me \$ 25 dollars in double paid taxes. (an example of dollar ratios only). charge what you want how you want going forward and let the market decide if it's a process they want to be a part of.

**Q7. What else would you like us to know?**

<b>Response Count</b>	84
answered question	84
skipped question	42

RESPONDENTS	DATE	RESPONSE
39	11/18/2009	This is the City's fault and no one elses. They should step up and admit it.
40	11/19/2009	Retroactively going back and collecting taxes is not a good idea. Set a policy on how you are going to proceed, pick a start date and let everyone know the policy. We can then plan accordingly.
41	11/19/2009	1. The existing rules are not clear to contractors and information seems to change, making predictions as to final cost difficult. 2. It is ridiculous to try to recoup losses so long after the fact - most unethical and unbusinesslike. 3. Save yourselves some money on consultants and use decency and common sense to resolve the problem. - Suggest you write off current losses and focus on getting the system working for the future. 4. Fire all staff who failed to make rules clear or get money owed before issuing completion certificates. 5. Keep rules simple and don't keep changing them unnecessarily.
42	11/19/2009	going back 3 years is unfair. it was your responsibility to ask for additional fees. you never asked and you gave COs to homeowners. a contractor pays final permit fees before issuance of a CO. we should have to reconcile taxes at that time too. that way you get what you are owed, the contractor can bill the homeowner for it, and the homeowner can pay the final bill before they move into their new home.
43	11/19/2009	Does the city really think that it is smart to try to find more tax revenues from builders, just because it has obviously collected less taxes in our period of economic downturn? This measure as was attempted is nothing short of proposterous - and I am not even affected! What is the goal, to chase the building and real estate industries out of Boulder? Impact and permitting fees are already substantial. Charge what is fair, and comparable to those in surrounding metro area localites, and end the process there. Thank you for taking the time to read my response.
44	11/19/2009	You have lost a lot of goodwill
45	11/19/2009	We did not budget for any additional tax. If we had known about this beforehand, we would have adjusted our budget accordingly and made some cuts in the scope of work.early on when we were estimating the cost of the project. We certainly can't afford to pay additonal tax for this project- it was difficult enough to complete the project as it was. The project was a net-zero energy home for my family. I was also the architect. We tried to do the right thing - we built a house that is model for the future- one that uses only renewable energy. We are strong supporters of the progressive direction of the city. But we have a lot of difficulty with the manner in which this action has been handled, and its total insensitivity towards builders, contractors and homeowners who are hard workers, employers, and taxpayers who want to do teh right thing but feel really abused by this action.
46	11/19/2009	Get a life and get rid of your beauracratc system of incompetents.
47	11/19/2009	This entire issue of an unbalanced municipal budget could be fixed in one election cycle. This council is possibly one of the most liberal spending group of idiots I have ever seen. When most municipalities were cutting back in expectation of low tax revenue, these morons continued to fund their socially engineered "pet" projects.
48	11/19/2009	Seeking to attempt to collect the taxes retroactively would be a major blunder and send the wrong signal in the current economy. Fix the problem and focus on the getting the future right.
49	11/19/2009	I am ANGRY about this. As a homeowner, I was contacted by my contractor on a long-completed project and they politely let me know that since they were no longer doing business in the City due to the deteriorating business climate for builders in the city, I could ultimately be responsible for both the back taxes and for putting in the hours of effort needed to sort this out. I won't be pulling permits from the City whenever I can get away with it. The City has crossed the line from being a helpful governmental body that ensures compliance for legitimate, safety-related concerns in building permits to one that nickels-and-dimes long-time homeowners who want to make minor improvements to their homes, fences, yards, etc.
50	11/19/2009	The city is really digging for money here. Building permits are taxes that are up front. If more money is due, it needs to be collected before the approval of the project by the city. I am very concerned that this survey is just for contractors. Does the city really care what the homeowners who will most likely pay the bill think? Is this another case of taxation without representation?
51	11/19/2009	It seems very clear that collection of this tax has been poorly administered. If you had one or two contractors claiming ignorance of the process, this would be a non-issue. Large numbers of companies claim that this reconciliation process was unknown to them. The problem lies with the city. Fix it. Keep it simple. Don't punish business owners and homeowners in an apparent effort to increase revenues. And please, stop wasting our tax dollars on consultants. Use the staff we already pay and use some common sense.
52	11/19/2009	Construction weighs heavily on city services and is under-taxed for offsetting contributions to city coffers. The appearance of unfair treatment in the collection of legitimately assessed taxes is bad precedent. How will you respond to the contractors and homeowners who did reconcile and pay their taxes - refunds? Offer the contractors reasonable financing, even 0% interest for up to 2 years, but collect our taxes! Thank you for your thoughtful consideration and equitable solution to this greediness problem.
53	11/19/2009	The collection of any back taxes should be suspended permanently and the city should make sure that what ever process of collecting taxes is used is made clear, and have the forms to achieve that process. The city has made a mistake that unfortunately has cost millions of dollars, but it has also cost the city in terms of trust. In order to gain back some of that trust, the city and the city manager need to say that they have made a mistake, not an oversight, in not having a clear process in place and from this date forward the taxes will be collected. The process of updating a home, building a new home, or adding onto an existing home is already very complex, costly and is going to get even more so when the compatible development regulations are added on. Now to have the possibility that the city will comeback to you 3 years later and say that you owe more money because they didn't have a process or form in place is going to drive people to either not do anything, or do things without permits. As much as the city needs money right now. they also need to make sure that monev that is currentlv being collected remains to be.

**Q7. What else would you like us to know?**

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answered question	84
skipped question	42

RESPONDENTS	DATE	RESPONSE
54	11/19/2009	My husband I saved and planned for a long time to build our home in Boulder. We got our CO finally this year. My husband acted as the contractor/ owner. Due to economic changes, the credit crunch, and loss of income we can no longer afford to move into our home. We have not been able to sell it and there is no equity left in the home due to falling market prices. It is literally impossible for us to pay any additional tax. Placing a lien on the property with accruing interest, creating a cloud on the Title, would make it even more unlikely to sell. This is a situation that not even bankruptcy would solve. Have you considered the endless ramifications and burden to homeowners this will create? It will also negatively affect an already struggling real estate market, further inhibiting economic recovery in our city.
55	11/19/2009	Small contractors are barely making it in this town as evidenced by the many tax returns I prepare. The added time open past books and to reconcile these past projects will also be evidenced in accounting fees and will make a further financial burden to these already struggling contractors. This proposal is only going to benefit lawyers. They will be paying attorneys to collect from homeowners and the only parties that will win with this are the attorneys. Many of the older 1/2 million ranch homes in this supposed state of the art city are just junk. All these laws do is discourage people from wanting to build and buy in this town and send our greatly needed revenue elsewhere. I mean Mc Stain went bankrupt this year. What further evidence do you need to support that these people are struggling.
56	11/19/2009	Keep it simple.
57	11/19/2009	When you the City took out the AD about Contractors should pay back the plan fees...it was a bit of a joke. Owner's or Architects should of been put in BOLD as many of the aforementioned new the calculations and were cheating the system. Please be more bias in which the ARTICLE WAS NOT. Owners are like poor me...and take no responsibility for their actions, this is only the few that new how to work the so called system
58	11/19/2009	The two houses you have asked me to reconcile sales tax on were built/sold under the following conditions which make it nearly impossible to recover these costs from all parties involved in the project at the time it was built: 1) Spec. house built by a group of investors under an LLC. The house was sold years ago, the proceeds were distributed, the LLC filed it's taxes and has been dissolved. 2) Personal residence built with what is now my X wife. Sold the house and proceeds were divided as per divorce settlement agreement.
59	11/19/2009	Boulder has plenty of revenue. I will not take any jobs in Boulder if this tax is levied.
60	11/19/2009	Maybe the city should clean their house before they force us to clean our house.
61	11/19/2009	My name is Drew Kraus. Again, I'm a homeowner with a major remodel underway at the moment. My house is at 1816 Joliet Way in Boulder. If you wish to reach me, I'm at 303-549-7413 or drew.kraus@gartner.com. I'm not a contractor, but the proposition of collecting back taxes resulting from the county's mistake strikes me as bad business - no matter how much the county needs money right now.
62	11/19/2009	I would like you to know that we feel retroactive enforcement of a policy and/or procedure is both unfair and fiscally irresponsible.
63	11/19/2009	Builders follow the rules. The city has so many rules now that it is hard even to keep track of all the requirements. We play by the rules we just need to know what they are. Building houses is a very tough business. It is becoming almost impossible in the city of Boulder. Getting blind sided with back fees doesn't help. The new site review regulations added to the already toughest requirements of any jurisdiction hurts too. Along with the current economic conditions things have come to a halt in the building business. Boulder will not be getting much revenue from permits in the future, at least not from me. I get the message. You don't want us.
64	11/19/2009	What is the city doing about the lack of communication between city departments, staff, boards, and city council. Why are the staff, department policy, boards, and city council not on the same page. Why does everything have to be so complicated???? Permitting is out of control. Simplify
65	11/19/2009	Resign - vote yourselves out of office. You don't represent the majority any lonter.
66	11/20/2009	The attempt to retroactively change the method to calculate use tax needs to be eliminated for all the reasons discussed at the public meetings. It seems the reason the city wants to change the use tax is to increase revenue for the city. In this time of a troubled economy, the best way to increase tax revenue is to stimulate the economy. Many jurisdictions have reduced building permit fees in order to stimulate construction projects, which increase sales or use tax revenue as well as significantly increase income in the community and thus increase sales for local business, thus increase tax revenue. Hopefully the City of Boulder understands this.
67	11/20/2009	The city of Boulder is not the only entity hurting for income. The residents of Boulder as well as most americans are earning less and suffering from increased taxes. This proposal will discourage people from starting new projects as well as hurt those who have already secured construction loans and have had projects completed. Perhaps the city government can find ways of reducing spending rather than adding a tax retroactively.
68	11/20/2009	Why would you ever think to make constructions companies; or any individual pay for someone else's mistake...or as you call it "an oversight"..the meaning of over-sight: slip-up, control failure, mistake, neglect(look in the dictionary)...notice the "control failure"....The city should take a strong look at their organization; before putting alot of businesses in the industry..out of business.....bam.....there goes your future revenue. My suggestion is to look and your errors and omissions policy and see if they can help you correct your "over-sight"..if not show the people that are responsible the front door and take it out of their pay...also show their supervisors the front door.
69	11/20/2009	As in all of our current economic conditions, this "reach back" enforcement effort is very disabeling to the construction industry. It is not the proper approach. A "forward looking" solution, which might include more awareness, seems like the better solution for our town.

**Q7. What else would you like us to know?**

<b>Response Count</b>	84
answered question	84
skipped question	42

RESPONDENTS	DATE	RESPONSE
70	11/20/2009	Once there is some resolution of this debacle, I would request that the city manager make a concerted effort to get a factual description in the media of the whole affair. Too much misinformation has been passed along that has cast contractors and the building industry in a bad light. In a community where there are already broad based misgivings about development, the misinformation has fueled misconception and distrust. In a public format, the city needs to own its share of mistakes and missteps around this issue, its elucidation, and its resolution. The city has an opportunity to engender good will in the community, and has begun this as evidenced by this feedback process. people aren't necessarily looking to blame anybody, they are just looking for good will, good information, and well thought out resolution.
71	11/20/2009	This survey is not particularly useful in allowing for feedback on the unfair, negligent and potentially illegal process the City is currently engaged in, is it? Yes, the brochure you created in May of this year helps to define expectations for builders and contractors to reconcile use taxes at the end of a project. But, how does that make it OK to charge builders and contractors 3 years worth of back taxes on homes that were built, recieved a CO and were moved into long ago. In many cases the original homeowners may have moved out. How are builders supposed to collect these taxes? They wont. This ridiculous measure is a transparent ploy for the city to raise money to cover the hole your in because of irresponsible spending and an inability to maintain a balanced budget. You guys don't care that you're messing with people's livelihoods here. What's another builder forced out of buisness, another middle income family forced out of town to you guys? The city of Boulder has been making it progressively more and more difficult for builders over the nast several vears. Builders and contractors are consistently vilified and trea to tear down perfectly good homes to put up monster McMansions to make the almighty dollar. The reality is that 1) most of the homes that get torn down in Boulder are asbestos-riddled energy hogs that nobody wants, because let's face it, 2) people in Boulder are affluent, "environmentalists in name only" that want huge homes. The city's obnoxious building policies and proclivity for buying up an inpenetrable ring of open space around the city has created a city where 3) housing prices are so high that any diversity has fled for Louisville long ago. Middle class families can't afford to live here. period. The city's trend toward increasingly restrictive and expesive building regulations is slowly but surely putting builders and contractors out of business. And, let me be clear here. I'm not talking about the big developers - those guys will persist and keep doing what they do - exactly what the city is desperately trying to get away from with the size regulations. No, I'm talking about small businesses. Contractors that build 2 or 3 custom. energy efficient. green homes every year - that pay taxes. buy locally. attempt to raise to the BVSD every year. They also create jobs. Make no mistake, this proposed tax burden WILL force many of these guys out of business and in turn, many other guys with families - plumbers, framers, electricians, etc. out of business too. And in the meantime, the City will add one more thing to its list that is leading up to Boulder's reputation as a playground for rich trust funders with no tolerance for citizens with less than a half million dollar annual paycheck.
72	11/20/2009	+ Use tax is a flawed idea. Collect taxes at time of purchase + Contractor's don't owe use tax. The homeowners do. You are making contractors be tax collectors. This isn't fair. + To change the rules retroactively, after decades of established practice is just wrong. + Jane--you didn't create this problem, you just inherited it. You have an opportunity here to be a problem solver and create something better. + Boulder's leadership is known for thinking outside the box. Don't be satisfied to adopt tax policies just because "everybody's doing it" (other cities collect this way). Boulder should take the lead in Colorado on this issue. + Contractors are laying back (relatively) now, giving the city a chance to scrap ANY version of collections for past projects. If the city decides to proceed, I believe there will be a significant, and highly publicized revolt.
73	11/20/2009	I DO NOT owe any use taxes on past jobs. Our clients are liable for any use tax, but that should have been collected from them shortly after the job was complete. I WILL NOT comply with any attempt at collecting retroactive taxes. I will not audit my books going backwards. I will not request my clients to pay any of these taxes, and I will urge them to refuse to pay. This is a criminal act on the part of the city of Boulder just to get a little money at the expense of thousands of its citizens. The city knew they were doing this wrong when they audited several larger contractors in 2003 and 2004 and they never bothered to warn any of us that we needed to be doing things differently. If I have an employee that does something not according to procedure, I send an email out to all employees, and we have additional training on that procedure, because my assumption is that if one employee is getting it wrong, other employees might be also. I don't go back and punish that employee. Your employees obviously don't know the rules--I doubt they are trained adequately, and the procedure is poorly written. We certainly did the "rules" because THERE WASN'T ONE. I won't allow you to punish me. A number of other contractors feel this way and the few homeowners who know about it are outraged. You would be facing thousands of angry citizens and businesses if you proceed with this ridiculous retroactive tax.
74	11/22/2009	When the formula for valuation was implemented, we were under the impression that the City was basing this on an average. There was never any forms or conversation about a "reconciliation of costs". To go back 3 years and expect us to come up with extra tax when projects have been completed is unfair. We were given a certificate of occupancy that stated that all fees and taxes were paid. How do we go back to clients and ask them for more money? Some clients have sold homes and moved. Some contractors were building spec homes that were sold. Where are we suppose to get the money? We would have to do audits on all of our jobs, which would be very difficult and time consuming to make sure of a correct amount either owed or owed to us. If we would have known this, we could have at least had a chance to have our subcontractors and suppliers invoice us showing the materials vs. labor. If you go though with this, you will destroy the construction community in Boulder. This affects our entire community. Not only us, but subcontractors, suppliers (like McGuckins Hardware, Boulder Lumber, Home Depot, Paint supply companies) and many jobs of workers. It will also effect all the other buisness in Boulder. The restaurants and shops will have fewer patrons. The city of Boulder has all ready made it very difficult to build with all of the restrictions and requirements and the high costs of permits. We as contractors are very proud of what we contribute to our city and we want to continue to be a part of it.

**Q7. What else would you like us to know?**

<b>Response Count</b>	84
answered question	84
skipped question	42

RESPONDENTS	DATE	RESPONSE
75	11/23/2009	The fact that the city has been negligent in collecting taxes in the past seems like the city's problem not the responsibility of the contractors and homeowners. If the city wants to have a new policy going forward, fine. We can in turn charge more for the permits from our clients. But to retroactively go back and ask us to bear the burden of paying more taxes on permits in the past is unfair. We can't go back in good business practices and try to charge our past clients for unpaid taxes. And for us to try and pay these taxes on our own would put many of us out of business. I strongly urge the city to reconsider collecting on back taxes for permits long since passed. At the point of final inspections and permit closeout all financial and building obligations to the city are considered complete and final.
76	11/23/2009	It is not right to go back looking for revenue 15 months after you have sent out a letter of completion to a single homeowner. We all need revenue in these tough times but this is NOT the right way to go about it. You have changed your practices retroactively. NOT RIGHT. NOT FAIR. You did not properly educate small contractors or homeowners.
77	11/23/2009	The City's attempt to extort these exhorbinant sums from an industry that is already crushed under the current economic conditions and the unprecedented building regulations is unacceptable. If it comes to pass that we are required to pay these sums, we will immediately claim bankruptcy. If were able to rebuild our business in a different jurisdiction after 20 years of being in Boulder, it would be a miracle. We are, like many contractors in Boulder, a small family run business. You would be responsible for our ruin. It is not the fault of the contractors that the City of Boulder finds itself in any sort of financial shortfall. The city has driven more business, tax revenue and building away for years and this is the outcome. We will not pay for your mistakes. We will not pay one single dime towards this retroactive tax extortion. What you can look forward to is a bankruptcy en-mass.
78	11/23/2009	I am responsible for budgeting, permit applications, and client billings at my company. I've been doing this for many years, and I am on a first-name basis with many city staff and building inspectors. August 09 was the first time I have ever been made aware that taxes collected at permitting are only estimates, and that a reconciliation is necessary. This was a total surprise to me, and I am very familiar with city permitting and fees. Implement this going forward if you must, but do not attempt collection of back taxes. Read your own publication 2009 Schedule of Fees page 6. No mention of reconciliation.
79	11/23/2009	The retroactive tax issue combined with Boulder's recent house size regulations targets one industry within Boulder. The hostility and arrogance that wafts off these two actions by the city are breathtaking. I used to defend my town's reputation but lately I've had to rethink my position. As a supporter of all things progressive, I found Boulder a wonderful place to live and play. Now it feels angry, hostile, arrogant, and unwelcoming which makes me very sad indeed.
80	11/23/2009	3-2-28 Liens on Construction Improvements. (b) The city building inspector shall not make a final inspection on or issue a certificate of occupancy for any construction project unless a person has paid or arranged with the city manager to pay all taxes due under this chapter on all lumber, fixtures, and any other building materials and supplies used in or connected with the construction, reconstruction, alteration, expansion, modification, or improvement of any building, dwelling, or other structure or improvement to real property within the city. I have no projects in the City of Boulder for which a final inspection has not been completed and approved. Based upon the language of the above provision of the Boulder Revised Code, I have had every reason to believe that the City considered all taxes on these projects to have been paid. No one in the Building Department ever suggested that use/sales taxes on my projects had been underestimated - either because of my negligence or because of mistakes on the part of the City. No one in the Building Department ever stated that a final inspection on any of my projects would mean taxes were due. Because the City calculates permit fees (including use/sales taxes), my contracts for services routinely provide that these fees are the responsibility of the homeowner. In good faith reliance on the fact that the City never raised any issues regarding payment on the taxes for these projects, I submitted bills for final payment to the homeowners and closed out my contracts on these projects. The City's attempt to demand the payment of additional use/sales taxes retroactively on these projects poses a significant and unfair hardship on me and my business. Going back to the homeowners three years after projects are completed is difficult for many reasons. Some of the homes may have been sold in the interim. Even if they still own the property, none of the homeowners will be happy about being asked to pay more money so long after project completion. Some may refuse to pay. Some may be unable to do so because of changed financial circumstances. My legal ability to force them to pay is weakened by the fact that the deadline for filing a Mechanic's Lien may have expired. No matter whether the homeowners ultimately pay the money, this will have an adverse effect on the good will I rely upon to support a business I have built based upon strong recommendations from my customers. The other alternative is, of course, to "eat" the additional taxes myself. At a time when many contractors, including myself, are struggling to survive the worst economy in decades, this is no small thing the City is asking. Finally, I ask the City to remember that the contractors who pulled permits and paid taxes and complied with building inspections are the "good guys" in this industry. I compete every day against companies who cut costs and under-bid me for jobs because they will do the job without getting a permit. They have no licenses that can be revoked for failing to get a permit. They are not paying use/sales taxes in the City of Boulder. Their jobs are not delayed while they wait for an inspection. Their project costs are not impacted by "Green Points" or FARs. They can cut corners because no one will

**Q7. What else would you like us to know?**

<b>Response Count</b>	84
answered question	84
skipped question	42

RESPONDENTS	DATE	RESPONSE
		be there to ensure they comply with the latest Building Code. These are the companies the City is rewarding by retroactively penalizing those of us who tried to play by the rules. The City is putting legitimate contractors out of business and driving more of the construction work in the city to companies whose quality of work is at least questionable. (Yes, a project the size of 29th Street will not get by without a permit. But there are hundreds, if not thousands, of smaller projects in residential neighborhoods all over Boulder that would never attract the attention of the Building Department.) So, one of the questions the City needs to consider is whether its top priority for the Building Department is revenue generation or public safety.
81	11/23/2009	The fact that the city has issued in May of '09 and revised in August of '09 a reconciliation form for the collection of use tax should be evidence enough that they were remiss in providing adequate information to contractors and homeowners that this reconciliation was required. How can a reasonable person be expected to know about this requirement if the planning department does not even have forms or a published policy. It is unreasonable to expect a contractor or homeowner to read all of Boulder's laws to try to find out what they might be liable for, or to have to hire legal or tax council every time they contemplate work in a jurisdiction. One would expect to be informed of all requirements needed to complete the project at the time of permit issuance, just as we are informed of what codes to follow when building. To now attempt to retroactively collect taxes no one knew were due and for which no form or system to collect them existed is completely unreasonable and unfair. That the city used their own formula to calculate what they did collect only adds to the absurdity. It is unfair to now hold the contractors have no financial interest in. As the contractor, we act as the owners agent to pull these permits as they are typically unfamiliar with the process and simply pass the permitting costs along with no mark up on them. Liability for these costs should fall to the property owner, not their agent.
82	11/23/2009	Show some class and forethought next time you make such decisions. Plan better!!
83	11/24/2009	Retroactive taxes are unconstitutional.
84	12/04/2009	We had a small remodeling project that was very labor intensive. In addition, our contractor allowed us to purchase the small number of light and plumbing fixtures that our project required. The city's assumption that 50% of our project was materials is probably too high based on copies of itemized invoices that I received from my contractors for some of our subcontractors. It will be very difficult to accurately determine the amount of use tax we really owe, especially if the subcontractors who did not file are not willing to work with us. Using the city's assumption of 50% will mean that we will probably overpay what is due to the city.

**Q8. Have you noted better communication, polices, and procedures regarding construction use tax collection and reconciliation in other jurisdictions? If so, please describe those procedures/approaches.**

**Response Count** 67  
 answered question 67  
 skipped question 59

RESPONDENTS	DATE	RESPONSE
1	11/09/2009	no
2	11/09/2009	It would be better for the consultant to conduct her own review of other jurisdictions, but the HBA of Metro Denver has never seen such confusion over another municipality's use tax code. Builders do not like being audited, but when they are aware that they could be, and understand what is expected of them both for compliance with payment and in the case of an audit they will conform.
3	11/09/2009	Mostly that taxes are paid at the time of purchase, thus eliminating any confusion.
4	11/09/2009	No other jurisdiction in which I have worked has a policy of reconciling sales and use tax.
5	11/09/2009	As I mentioned, what we are doing in Westminster seems to be acceptable and has resulted in refunds to us as much as 50% of the increased amount. It really depends on the upgrades---labor is usually close to the same for many applications.
6	11/09/2009	Have only worked in the City of Boulder and Boulder County.
7	11/10/2009	None of the other jurisdictions we work in require a reconciliation. I've heard from other contractors that their process is easier and more fair. I don't have specifics.
8	11/10/2009	Larimer County letter from the Financial Services Division to that effect.
9	11/10/2009	no just easier and far cheaper
10	11/11/2009	I haven't recieved one reconciliation notice/letter, I assume this is a new thing on the horizon given the current economy.
11	11/11/2009	The experiance I have is what we have been doing in the city of Boulder to date, pay a percent use tax at permit application with no other fees at project completion.
12	11/11/2009	Larimer Counties Planning and Building Department has a wonderful letter that is issued at the time the building permit is issued describing the sales use tax deposit and future audits that are required at the time the building permit is picked up. Call them, they will gladly send you the letter or I will give one they sent to me.
13	11/11/2009	Until recently, no other jurisdictions we have worked in has asked for a reconcliation. (or tried to charge us after the fact) A month ago, I did recieve a letter, along with my permit, stating the need to reconcile my use tax.
14	11/11/2009	I thought Boulder did it pretty good, until out of the blue, I was told I owed tons of money from old, old jobs that I never owned the real estate. If you want to be in the auditing business, get into it; it'll probably pay for itself, including the extra FTE's. If you want an honor system, you start with trust, and that you will have to rebuild, but it might be simpler. In the long run, its open to cheating the system, but most contractors and property owners are honest hardworking folks. You could let us all pay tax at point of purchase, and take the hit, for having driven a lot of suppliers out of town. But get in touch with our world: Owners don't always know who their contractor will be or what the final cost will be when they submit for the application. We don't usually have all of our costs in on a job until 45-75 days after CO or final inspection. Most jobs under contract are usually within 2-5% of final costs, at time of contract, so most jobs don't have huge cost overruns or change orders. SF costs on different jobs by different contractors can vary by 10-50%. How you define sf matters. Remodels are labor intens  but may not fora GC who self performs a lot of the carpentry or concrete work. Most small contractors and subcontractors are not good with paperwork. We'd rather not do audits, cause they're intimidating, take time, and challenge bad recordkeeping. If you get into auditing, the cost of business will keep going up, and relative affordability, regardless of residential or commercial, is simply unattainable. Any taxes collected at time of building permit needed to be known as an ESTIMATE. A self audit should work, as long as there's not confusion about what's taxable (unlike now). Don't tie it to CO or TCO. Larimer County gives 60 days, I think, but I'd prefer 90, especially if it ever gets busy again.
15	11/12/2009	Florida does not use the audit system to my knowledge. All fees are collected up front at permit issuance. Much, much, better system. We pay "impact fees", which goes to many of the same agencies you use your construction tax for.
16	11/12/2009	The best procedures are ones where sales tax is charged on contract amount or building department valuation, are collected when permit is issued and the amounts are not subject to later review. Most jurisdictions use this system.The second best require an audit at the end of the job. At least we know it is coming. Broomfield and Fr. Collins use this system. The worst system leave the possibility of audit at a later date open but charge based on an evaluation and it is not clear that there will be an adjustment at the end of job based on final contract amount or other criteria. If a jurisdiction used such a system, they should require a final accounting before the CO is released, so that the payment will be finalized and not subject to some later collection efforts. (Boulder)
17	11/12/2009	After 22 years in the construction business (10 years of my own company) I have never even heard of a tax reconciliation three years after the fact. We have work all over the front range and have never had this with any other jurisdiction.
18	11/12/2009	Thornton has a very good "user friendly" planning and building Dept. with lots of self-guided information. They will also spend the time to sit down with you and evaluate your project with each
19	11/12/2009	most don't have these policies except broomfield
20	11/13/2009	all, other jurisdictions are sam as you are now. all want a valuation on job to get permit.
21	11/13/2009	NO
22	11/13/2009	Other jurisdictions where we work estimate use tax upfront, and that is the end of it. There is no reconciliation.
23	11/14/2009	n/a
24	11/15/2009	My experience has been that we paid use tax upon issuance of permit and have never been requested to provide reconciliation.
25	11/16/2009	I have never had an experience where another juristiction came back after the fact and requested
26	11/16/2009	No, this doesn't apply as I only build in the city and Boulder County.

**Q8. Have you noted better communication, polices, and procedures regarding construction use tax collection and reconciliation in other jurisdictions? If so, please describe those procedures/approaches.**

**Response Count** 67  
 answered question 67  
 skipped question 59

RESPONDENTS	DATE	RESPONSE
27	11/17/2009	I hear Larimer County has got it pretty well figured out
28	11/17/2009	No
29	11/18/2009	no experience.
30	11/18/2009	No
31	11/18/2009	if you are asking whether or not we have ever been threatened with back taxes 3-5 years hence, no. Fort Collins audits maybe 1-2 jobs a year out of a typical 30-40 for us.
32	11/18/2009	Don't know
33	11/19/2009	Westminster does an audit of taxes immediately after the project is completed. However, their valuation process is flawed, so the process is similar to Boulder's in that taxes are not paid upfront.
34	11/19/2009	I have never encountered the like of the Boulder citywide HOA/nanny attitude anywhere in the world.
35	11/19/2009	dunno
36	11/19/2009	The City of Boulder is worthless and so is this survey ...
37	11/19/2009	Not particularly. Superior attempted a similar process of post construction audits last year to no particular success.
38	11/19/2009	I have never been asked to submit additional permit/tax fees after a Certificate of Occupancy has been issued in any jurisdiction I have worked within.
39	11/19/2009	I think I already have. Before you grant final approval, require that all payments and documentation be submitted.
40	11/19/2009	No experience here.
41	11/19/2009	NO, but Boulder needs to be a leader not a follower.
42	11/19/2009	I've worked in many different parts of America and have not come across a system as complicated as Boulder's.
43	11/19/2009	No
44	11/19/2009	I'm not a contractor, so the only communications I've heard have been through the Daily Camera.
45	11/19/2009	There were not really any issues to have concerns about until this attempt to enforce a mistake that the City is responsible for in a retroactive fashion. Other than the fact that no other jurisdiction has come forth with such poorly timed and poorly thought out communication as this most recent idea, I haven't noted any better communication or policies.
46	11/19/2009	As far as I know you just pay your permit fee and that's it.
47	11/19/2009	n/a
48	11/19/2009	YES! I have been able to conduct simple desk reviews for permits in Broomfield. Nothing of the sort in Boulder... the process is a bureaucratic mess.
49	11/20/2009	The City of Boulder has had no communication regarding use taxes. They have calculated the estimated construction costs and thus the use tax on projects and have not communicated anything regarding reconciliation. Other jurisdictions we have dealt with have not done a reconciliation at the end of projects, although it has been a while since we have worked in some jurisdictions.
50	11/20/2009	None.
51	11/20/2009	no
52	11/20/2009	Not necessarily. Each jurisdiction has its own series of quirks and irritant policies.
53	11/20/2009	Not applicable
54	11/20/2009	Yes, absolutely. But I don't endorse any use tax collection. It's wrong.
55	11/20/2009	yes.....of course
56	11/20/2009	n / a
57	11/20/2009	No other jurisdiction has threatened us in this manner.
58	11/20/2009	Other jurisdictions do not assess use tax on construction.
59	11/22/2009	Yes. No one else has come back to us years after CO to change or collect anything.
60	11/22/2009	I have personally not had to deal with any tax issues in other jurisdictions.
61	11/23/2009	No
62	11/23/2009	We are homeowners. This is the only remodel we will do in our lifetime. We lived in our last house for 23 years. We'll probably grow very old in this one. We are not big time contractors. Just homeowners who did a remodel with a plan the city knew about.
63	11/23/2009	We have not had any problems with any other jurisdiction. Boulder is alone with regard to this
64	11/23/2009	I have always tried to described my scope of work honestly with building departments. None of my projects has ever been audited.
65	11/23/2009	I have never had a jurisdiction ask for a reconciliation of use tax on any job.
66	11/23/2009	N/A
67	11/24/2009	No one else has tried to impose a retroactive tax.

**Q9. If so, please list the jurisdiction(s):**

<b>Response Count</b>	15
answered question	15
skipped question	111

RESPONDENTS	DATE	RESPONSE
1	11/09/2009	Seattle, Washington
2	11/10/2009	Larimer County
3	11/11/2009	Larimer County
4	11/11/2009	Westminster
5	11/11/2009	Across the board, City of Denver (under Hickenloper) is better in plan review, permitting, inspections, finals, and tax collection. Start there but not just in tax collection. Contractors and developers are not swear words in Denver.
6	11/12/2009	N/A
7	11/13/2009	bldr co, all cities in bldr county, jefferson county, all cities in jefferson county.
8	11/15/2009	Boulder County, Jefferson, Larimer
9	11/18/2009	fort collins
10	11/19/2009	Denver, Jeff CO and Arapahoe county
11	11/19/2009	Broomfield
12	11/20/2009	see question 5
13	11/20/2009	Who Cares?!! Why don't you take the lead and do the right thing?
14	11/22/2009	Longmont, Lafayette, Boulder County, Erie
15	11/24/2009	Everywhere else.

**Q11. Is this handout more helpful in understanding the processes related to permitting, fees and taxes?**

	<b>Response Percent</b>	<b>Response Count</b>
YES, this handout is more helpful.	54.17%	26
NO, this handout is NOT helpful.	45.83%	22
Comments*		33
	answered question	48
	skipped question	78

<b>RESPONDENT</b>	<b>DATE</b>	<b>IF YOU ANSWERED NO, HOW COULD THE HANDOUT BE IMPROVED?</b>
1	11/09/2009	My permit was issued in 2004, so it was not available at the time.
2	11/09/2009	I could not find it at the site referred to above.
3	11/10/2009	You may have "developed" this new process but you have still not successfully "implemented" it. We have NEVER been given the "educational handout" or a "reconciliation" form when we've picked up a permit (as recently as a week ago), but we wouldn't have been able to use it anyway. It doesn't work. The reconciliation form is USELESS for contractors who pay for some materials at the time of purchase and who file a quarterly tax return. I can share my modifications with you at the meeting. The form was given to us by another contractor and I accessed it online.
4	11/10/2009	I clicked the link just above on this page and there was nothing mentioning "educational handout". This just illustrates how the whole process has been handled. I went to the Finance Department on two consecutive days after receiving my "Voluntary Compliance Letter". I talked to two of the people listed on the letter about how to "comply" and I got two contradictory responses. Even the City Staff charged with implementing this policy change did not "know the rules". It is unclear (even now) what number to use as the final construction cost for the reconciliation. I was told by one member of the Finance Staff that the number should be the "Total Contract Amount" of the project. The total contract amount in MY contracts includes my general contractor profit and overhead with is neither labor nor materials so that doesn't seem like it should be included. It also includes many other things which are not labor or materials like temporary power, portable toilet, tool rental, etc. - should these items be included?? My contract includes demolition costs when the project includes removal of a previous building but that wo  permit so it does not seem like it should be included. My contract includes photovoltaic and solar thermal systems but these items are required to have their own permits which include use tax so can I deduct them? One of your staff told me that I can deduct carpet and appliances but what about cork flooring, vinyl tile, ceramic tile? And why is it OK to deduct a \$10,000 built-in refrigerator that should last twenty years? It may last longer than the countertops adjacent to it. I guarantee that no staffer in Finance can provide adequate and fair answers to these questions and they need to be answered BEFORE this policy is implemented. They also need to be communicated to the contractors who must do this reconciliation. While we are on the subject of contractors, the whole process needs to be relatively simple and straightforward so that the contractors will make the effort to do this reconciliation without a gun to their heads. It may not be obvious to those in City Hall but it is pretty tough to make a buck out there as a contractor these days so please don't add days and days to our workload
5	11/11/2009	As typical, no handout was able to be easily found at the above web link.. That is first area of improvement needed. The handout would need to be able to be read. Are you calling the reconciliation form an "educational handout"? There is no accompanying handout with the form on this website that I can locate. An educational meeting(s) to the building community/public will need to be scheduled (like there are for Greenpoints, etc) to educate us how to easily track mtls subject to use tax. The city planning dept. is still not consistently handing out reconciliation forms with permit applications.
6	11/11/2009	Answering question #1. is that I first saw the educational handout was Oct 15th, 2009. If it was being issued earlier to this date it was not given to us when we picked up our Sept 2009 permit for a new house.
7	11/11/2009	I have never received a handout.
8	11/11/2009	I answered No, because I never saw it til I went to PICK UP a permit in September. I was aware of the reconciliation form in August with the letters that got sent out. If it was being distributed in May, or even over the summer, that's news to me. And I apply for many permits a year. I actually haven't read the educational handout to this day, because I get the issue, and the mechanics that are expected of us now (given some confusion about what to charge the tax on.). But we never knew about it until late this summer.
9	11/12/2009	All of our past and current project permit were applied for and received before May, 2009.
10	11/14/2009	You can explain it all you want. It could be written in 3rd grade English. The fact that this is being done at all is just one more stupid thing that Boulder does to make life miserable for those who wish to improve their lives in Boulder.
11	11/15/2009	Have not seen it.
12	11/16/2009	I have not seen the handout and couldn't access it on line. But I would certainly appreciate the information. And I sincerely appreciate this outreach process. As a longtime City of Boulder contractor, I have always had a great working relationship with the City. The letter requiring retroactive payment came as a shock and was very disturbing. I look forward to a new system, if that's what the City decides that I can incorporate into future Proposals.
13	11/18/2009	The definitions of what materials to pay tax on differs in varying city publications. in some cases tile and cabinetry are considered "permanent", in others they are not.
14	11/18/2009	more helpful is relative, but yes.
15	11/18/2009	It may be more helpful, but it doesn't change the fact that no one even knew that this process existed period. Plus, fat chance on getting a refund. Too little too late.
16	11/19/2009	If your own staff, who presumably had a hand in drawing it up can't follow it, how do you expect anyone else to be able to?
17	11/19/2009	Post it on a web site - Daily Camera
18	11/19/2009	I replied NO because I have not been through the process before and do not know the details of the changes. I do however remember watching a city council meeting, in Aug./ Sept. 2009?, where this was brought up and none of the city staff could say for sure if there was any kind of documentation or process in place to address the reconciliation process. So NO, I do not think the document was more helpful if 5 to 6 months later people were still not clear on the process even with the new document being included in the packet.

**Q11. Is this handout more helpful in understanding the processes related to permitting, fees and taxes?**

	<b>Response Percent</b>	<b>Response Count</b>
YES, this handout is more helpful.	54.17%	26
NO, this handout is NOT helpful.	45.83%	22
Comments*		33
	answered question	48
	skipped question	78

19	11/19/2009	How do you address the lack of knowledge by homeowners that pull their own permits?
20	11/19/2009	Dump this foolish program.
21	11/19/2009	I haven't seen it.
22	11/19/2009	I have applied for permits since then and never seen the handout.....something is very wrong here. How about e-mailing a copy to all contractors in the city! Affidavit from subcontractors seems a little over the top, how about the original bills, banks and clients accept them.....seems little an attempt by the city to limit reconciliation in favor of contractors...play fair!
23	11/19/2009	This is the way the city should be going about implementing this tax. Upfront and at the permit application.
24	11/19/2009	It's non-sensical. See my previous statements.
25	11/20/2009	hire someone to create the hand out that is competent.
26	11/20/2009	It could have been issued, I don't know, maybe 3 years ago.
27	11/20/2009	I'm not interested in reading how you plan to implement flawed policy, especially retroactively. You need new policy, then you can prepare the educational materials. The contractor community would be happy to help devise a rational policy. Contractors have always been compliant with policies the city has trained us on, and will continue to be GOING FORWARD.
28	11/20/2009	never seen it
29	11/20/2009	How can it be helpful if it was never handed out? As of November no one has handed out any "educational handout" or a reconciliation form. I have seen the reconciliation form that another contractor gave us, and it is completely unusable by our company. We won't be submitting it the way it is. It doesn't give credit for any taxes already paid. The city obviously is planning on making the reconciliation process as painful as possible in order to coerce us into paying additional taxes by simply calculating taxes based on the 50% rule. We would double pay taxes in some cases. We won't be doing that. Our only option at present is to request a complete audit which is very time consuming and costly. This is blackmail and I don't appreciate it. Once you decide what the rules are going to be, we will collect every penny of the tax due the city and we'll pay the city every penny of the tax we collect, and not one cent more. I'll send you a reconciliation on a modified form that works and really shows what I owe.
30	11/22/2009	The first time I saw this form was when I received it with my letter in August. The second time I saw it was after the city did the remodel this fall and I had to find it with all the other forms on the wall. I don't understand why it was never available before.
31	11/23/2009	We did not receive the handout when pulling a permit in September 2009.
32	11/23/2009	This handout is helpful for future jobs. But the handout did not exist when some of our jobs were contracted and permitted. So use the handout going forward, but don't try to use it to justify retroactive collections.
33	11/23/2009	While it is helpful to now have a form, I take exception with the reporting requirements and flat rate. Residential and commercial construction is quite different as are the amounts of materials used in each. The rates should reflect that. The flat rate also captures all sorts of costs that are taxed when business and personal returns are filed such as insurance, profit, and overhead, therefore duplicating taxes. The typical residential job uses far more labor than materials, roughly 75% labor to 25% materials. Asking for affidavits from subcontractors is going to be quite a burden and will make them think twice about doing work in the city if they have to comply with this. Even if they do, they may add to their bids the cost of compliance, further raising the cost of doing business in Boulder, which is already higher than surrounding jurisdictions.
34	12/04/2009	I haven't seen the materials that were previously used, so can't answer this question.