

**Town of Lyons, Colorado
Board of Trustees
BOT Agenda Cover Sheet
Agenda Item No: XIII.1.
Meeting Date: November 6, 2023**

TO: Mayor Rogin and Members of the Board of Trustees

FROM: Town Administrator, Victoria Simonsen

DATE: November 1, 2023

ITEM: Discussion / Direction to Staff Regarding Revocation of Business License Issued to Finer Diner, LLC (d/b/a as Diner Bar) Due to Unpaid Sales Tax

☐ ORDINANCE
☐ MOTION / RESOLUTION
☒ INFORMATION / DIRECTION TO STAFF

BACKGROUND INFORMATION: Throughout 2023, the Finance Director has been in touch with the Colorado Department of Revenue (CDOR) regarding unpaid sales tax for Finer Diner, LLC. Per the Town of Lyons Municipal Code, the collection, administration and enforcement of sales tax shall be performed by the Colorado Director of Revenue in the same manner as the collection, administration and enforcement of the state sales tax. Town Staff was informed that the CDOR was aware of the non-payment and no payment plan has been put in place despite multiple efforts by CDOR staff.

The Town of Lyons Municipal Code states that a business license shall be suspended or revoked for any failure to pay taxes. The code reference is detailed below:

Sec. 6-1-120. Suspension or revocation of license.

The Board of Trustees may initiate a hearing to consider a temporary suspension or revocation of a license upon seven (7) days' written notice to a licensee stating the contemplated action and the grounds for the temporary suspension or revocation. After a reasonable opportunity to be heard, the Board may temporarily suspend or revoke any license issued by the Town if it finds that:

- (1) The licensee has failed to pay the annual license fee for the current or any prior year or has failed to pay any penalties or other amounts owed to the Town relating to prior license years;
- (2) The licensee has failed to file any reports or furnish any other information that may be required by the provisions relating to the specific license;
- (3) The licensee has violated any of the terms of the provisions pertaining to their license or has violated any local, state, or federal law, regulation, or order which relates to their license, including, without limitation, any failure to pay taxes or perform a payout agreement relating to the payment of taxes; or
- (4) Any fact or condition exists which, if it has existed or had been known to exist at the time of the application for the license, would have warranted the refusal of the issuance of the license.

If any Section of this Chapter or provision of state law contains a specific procedure for suspension or revocation of a particular type of license, those specific provisions shall control where in conflict with the requirements of this Section.

(Ord. No. 1096 , § 2, 4-5-2021)

Staff are notifying the Trustees that Finer Diner, LLC (doing business as Diner Bar) is in violation of local ordinances and state laws. The Board may initiate a hearing to consider a temporary suspension or revocation of their local business license.

The owner has been notified of the situation and potential action. He indicated that he was aware of the severity of the situation and would be in contact. He has not replied. The business will be unable to renew its liquor license without a local business license.