

NOTICE OF CIVIC ASSESSMENT

To Whom It May Concern:

Please be advised that pursuant to section 9.2 of the Bachelor Gulch Village Association ("BGVA") bylaws, a 5% Civic Assessment is due on all sales of tangible personal property occurring within the boundaries of Bachelor Gulch Village and on any services made, performed, or rendered on behalf of a BGVA property owner also within the geographical boundaries of Bachelor Gulch Village. The Civic Assessment applies to all short term rentals less than 30 days. Any business occurring within Bachelor Gulch Village that is subject to Colorado sales tax is subject to the BGVA 5% Civic Assessment.

It is important that the Civic Assessment not be reported to the customer as a consolidation with other taxes, as it is not a tax. It is also important that sales receipts accurately identify and separate the 5% civic add on from the 9.4% tax. The Colorado Department of Revenue regards the Civic Assessment as part of your taxable sales; therefore, it compounds the state and county tax liability as shown below:

Sales Price	\$100.00
BGVA Civic Assessment (5%)	<u>+ 5.00</u>
Subtotal	\$105.00
Tax (2.9% State+ 1.5% County+ 5% BG Metro =9.4% tax)	<u>x.094</u>
State and Local Tax	\$ 9.87
	<u>+105.00</u>
Total to be collected	<u>\$114.87</u>

If you conduct business within Bachelor Gulch Village, please make sure you possess a valid business license that must be renewed annually. The business license form, Civic Assessment form, and further Civic Assessment information can be found on the BGVA website at bachelorgulchvillage.com.

Please find attached to this Notice:

- Application for BGVA annual business license
- Contact information form
- Civic Assessment return form
- Section 9.2 of the bylaws

Finally, please note that a copy of your Colorado state sales tax return MUST accompany your Civic Assessment return form. Even if you conduct business outside of Bachelor Gulch Village, and your Colorado state sales tax return amounts do not match your BGVA return, your Colorado state sales tax return is required to be submitted. Also, \$0 dollar returns must also be accompanied by your Colorado state sales tax return.

Pursuant to section 9.6 of the BGVA bylaws, any assessment not paid when due shall bear simple interest at the rate of 18 percent per year, until paid; and, should an audit or collection measures become necessary, the expenses associated therewith, including reasonable attorney fees and costs, shall be the responsibility of the party who has failed to timely pay the Civic Assessment.

If you have any questions regarding the BGVA civic assessment please feel free to contact us.

Sincerely,

BACHELOR GULCH VILLAGE ASSOCIATION, INC.

Mike Trueblood
Association Manager
970-754-6907
mjtrueblood@vailresorts.com

**BACHELOR GULCH VILLAGE ASSOCIATION
APPLICATION FOR ANNUAL BUSINESS LICENSE**

Renewal (#____) _____

Date of Application:_____

1. Name of Business : _____

2. Names of Principles: _____

3. Address: a. Business _____
 City: _____ State: _____ Zip: _____
 b. Principles _____
 City: _____ State: _____ Zip: _____

4. Telephone Number: a. Business: _____ b. Principals: _____

5. Ownership of Business: a. Corporation _____ b. Partnership: _____
 c. Other (Explain) _____

6. Description of Business in Bachelor Gulch Village:
 - a. Owner or Lessee of Site in Bachelor Gulch Village: Yes _____ No _____
Owned: _____ or Leased: _____
If "Leased", name of Landlord (Lessor): _____

 - b. Nature of Business in Bachelor Gulch Village: _____
 - c. Frequency of Business in Bachelor Gulch Village: _____
 - d. Bachelor Gulch Village Address of Site: _____
Name of Owner or Lessee: _____
 - e. Square Feet of Commercial Space: _____

7. Colorado State Employer Identification Number: _____
or, if self-employed, Social Security Number: _____

If you have any questions, please contact Mike Trueblood, Director of Village Operations at 970-754-6907.

Mail to: Bachelor Gulch Village Association
P. O. Box 100
Edwards, Colorado 81620

The undersigned hereby applies for a license to do Business in Bachelor Gulch Village Association, as required by Bachelor Gulch Village Association's regulations entitled "Annual Business License", a copy of which has been received by the Applicant. Applicant hereby certifies to the Association and agrees as follows:

1. It has reviewed (a) the Amended and Restated General Declaration of Bachelor Gulch Village Association; (b) the related Supplemental Declaration, and (c) the Articles of Incorporation, Bylaws, and Rules and Regulations of Bachelor Gulch Village Association, all as presently in effect; and it will comply with all of the provisions thereof, including without limitation, all regulations concerning Commercial or Retail Business applicable to Applicant's Business.
2. Applicant will at all times comply with all laws and regulations applicable to its Business.
3. Applicant will avoid any illegal, dangerous or harmful practices or conditions that are detrimental to the property of others as to the general health, welfare, peace or safety of Bachelor Gulch Village.
4. Applicant will refrain from engaging in Business in the Bachelor Gulch Village Subdivision during any period when its license and/or permit is revoked or suspended.
5. Applicant will provide such information and documentation, and permit such investigation of and inspection of its Business as Bachelor Gulch Village Association may from time to time reasonably request.
6. Applicant recognizes that "Bachelor Gulch Village Association" is a registered servicemark of Vail Associates, Inc.
7. Applicant understands (a) that the roads within the Bachelor Gulch Village are limited access roads, (b) that it must comply with all of the rules and regulations applicable to the use of such roads, and (c) that it may be prohibited from using such roads if it fails to comply with such rules and regulations.
8. Applicant will only conduct Business within Bachelor Gulch Village at the address set forth above unless it obtains a further permit authorizing it to conduct Business at a different address.
9. Application has received expressed permission or invitation or has entered into a lease agreement with owner or Premises to perform Business on Premises.

IN WITNESS WHEREOF, Applicant hereby signs this application as of the date above written.

Applicant

Application received this ____ day of _____, 20_____.

Bachelor Gulch Association

Contact Information
Bachelor Gulch Village Association
Civic Assessment Remittance

Company Name _____

Company Address _____

Company Website _____

Contact Name _____

Title _____

Phone Number _____

Email address _____

If you employ an outside accounting firm to handle
your civic assessment and taxes, please also provide
their contact information.

Accounting Contact Information

Please return this form to:

Bachelor Gulch Village Association
PO Box 100
Edwards CO, 81632,

**BACHELOR GULCH VILLAGE ASSOCIATION
CIVIC ASSESSMENT RETURN**

Business Name: _____

Bachelor Gulch Village Association Business License Number: _____

State of Colorado I.D. Number: _____

Reporting Period Ending: _____

- 1) Net Taxable Sales per Form DR 100
(Line 4 of State of Colorado
Combined Retail Sales Return)* \$ _____

- 2) Sales Subject to Assessment \$ _____
(Line 1 above divided by 1.05)

- 3) Civic Assessment Due \$ _____
(Line 2 multiplied by 5%)

- 4) Interest on Late Civic Assessment \$ _____
(1.5% per month)

- 5) Total Amount Due \$ _____
(Line 3 plus Line 4)

- PAYMENT ENCLOSED \$ _____

I hereby certify, under penalty of perjury in the second degree, that the statements made herein are to the best of my knowledge true and correct.

Date: _____ By: _____

Title: _____

*A copy of your Colorado State Sales Tax Return for this period must accompany this return. This form, your Sales Tax Return and your payment are due and payable, without notice, to the Bachelor Gulch Village Association on the **20th** day following the end of the month for which the return is filed. A fee of \$100 may be assessed for late payments.

Mail to: Bachelor Gulch Village Association
P. O. Box 100
Edwards, Co 81632

**Bachelor Gulch Village Association
Bylaws Section 9.2**

9.2 Civic Assessments. The Board of Directors shall regularly levy upon and collect from each Member an assessment (the "Civic Assessment") in regard to all sales of (a) tangible personal property made by such Member or such Member's Lessee or made, consummated, conducted, transacted or occurring within the geographical boundaries of Bachelor Gulch Village, and services made, performed or rendered by or on behalf of such Member or such Member's Lessee within the geographical boundaries of Bachelor Gulch Village, but excluding all sales that are subject to assessment by the Beaver Creek Resort Company of Colorado pursuant to the Agreement Regarding Assessments, dated November 27, 1994, between the Vail Corporation d/b/a Vail Associates, Inc. and Beaver Creek Resort Company of Colorado (all sales which are subject to Civic Assessment shall be referred to herein as "Local Sales") which are subject to the Colorado Emergency Retail Sales Tax Act of 1935 (Colorado Revised Statutes, 1973, Title 39, Article 26), as amended (the "Tax Act"), and (b) other tangible personal property made, consummated, conducted, transacted, or occurring within the geographical boundaries of Bachelor Gulch Village. However, the Civic Assessment shall not apply to any gross receipts from sales in connection with (i) any event sponsored by the Association, or (ii) any event sponsored by an organization exempt from the provisions of the Tax Act, but only to the extent such gross receipts relate to purchases by the organization for official organization business that are therefore exempt from the provisions of the Tax Act. All taxes payable on Local Sales pursuant to the Tax Act shall be referred to hereinafter as the "Colorado Sales Tax". Each such Member's Civic Assessment shall be determined by multiplying (a) such Member's Local Sales that are included within such Member's or such Member's Lessee's Net Taxable Sales (as defined for purposes of the computation of the Colorado Sales Tax) plus such Member's or such Member's Lessee's gross receipts from the sale of tangible personal property not covered by the Colorado Sales Tax, times (b) the Civic Assessment Rate determined by the Board of Directors in accordance with Section 9.8(b). Each such Member's Civic Assessment shall be due and payable without notice to the Association each time and at such time as such Member or such Member's Lessee is required to remit or pay Colorado Sales Tax to the state of Colorado. Each such Member shall also deliver to the Association without notice true and complete copies of all written reports, returns, statements, records and declarations, including any supplements or amendments thereto (all of which are referred to herein as "Reports") made or provided to the state of Colorado by such Member or such Member's Lessee in connection with any Local Sales under the provisions of the Tax Act at such time as such Reports are required to be made to the state of Colorado. If any subsequent adjustments, additions or modifications are made to any Colorado Sales Tax remitted or paid or Report made by and Member or such Member's Lessee to the state of Colorado, such Member shall within 30 days thereafter so notify the Association and provide it with true and complete copies of all Reports or other written material issued or received by such Member or such Member's Lessee in regard thereto. If any adjustment increases the amount of Colorado Sales Tax a Member or such Member's Lessee is required to remit or results in a refund of such tax, such Member shall accordingly pay an appropriate additional Civic Assessment or receive an appropriate refund from the Association of any excess Civic Assessments previously paid.