# Sales and Use Tax General Information

This booklet is provided to give basic, general information regarding the City of Colorado Springs Sales and Use Tax. The City of Colorado Springs is "Home Rule". This means the City is authorized to levy and collect its own sales and use tax. The Colorado Department of Revenue administers State and El Paso County Sales Tax and the Pikes Peak Rural Transportation Authority (PPRTA) Sales Tax.

**City of Colorado Springs Sales Tax Contact Information:**

- Telephone: 719-385-5903 / Fax: 719-385-5291 / Investigator Line: 719-385-7829
- Email: salestax@coloradosprings.gov / Web Address: coloradosprings.gov
- Online Services available on our website; apply and pay for a sales tax license or to file a sales tax return
- Physical Location: 30 South Nevada Avenue, Suite 203, Colorado Springs, Colorado 80903, Monday –Friday, 8:00a.m.-5:00p.m.
- Mailing Address: Post Office Box 1575, Mail Code 225, Colorado Springs, Colorado 80901-1575
- Bank Lock Box (Payments): Sales Tax, City of Colorado Springs, Department 2408, Denver, Colorado 80256-0001

**What is the City sales or use tax rate?**

- City of Colorado Springs Sales and Use tax rate is 3.12% (city collected)
- State of Colorado 2.9%, El Paso County Rate is 1.23%, PPRTA Rate is 1.0% (all 3 entities state collected, 5.13%)
- List of all Colorado Home Rule Cities/Counties please go to www.colorado.gov/revenue and search for DR 1002

**What is sales tax?**

The tax to be collected and remitted by a retailer on sales" taxed" under the City tax Code. Per the City Tax Code, any person engaged in business in the City and making sales of property or specific services subject to the sales tax, even though not maintaining an office in this City, must collect and remit the sales tax on these sales in like manner as Colorado Springs persons collect and remit the sales tax.

**When do I need a sales tax license?**

A sales tax license must be obtained by any person engaged in the business of selling and/or leasing at retail within the City.

**How much is the sales tax license?**

The sales tax license is **$20.00**- January 1 through June 30th of the even-numbered year, **$15.00**- July 1 through December 31st of the even-numbered year, **$10.00**- January 1 through June 30th of the odd-numbered year, **$5.00**- July 1 through December 31st of the odd-numbered year. After receipt of a completed application, the license will be mailed within 3-4 weeks of the month stated on Line#10 of your application (Start Date of Business in Colorado Springs). Until a license number is issued, you may use a copy of your completed application and receipt as proof you are engaged in business and have applied for a City Sales Tax License.

**I only plan on selling my product for a few days. Do I still need a license?**

Yes, you will need a temporary sales tax license only. The fee is $20.00 per location and expires immediately following the event or after 60 days. A cash deposit may also be required.

**What is a use tax ONLY account?**

Any business that purchases tangible personal property for its own use, storage or consumption without the payment of the City sales tax should apply to the City for a Use Tax Account. This specific account is used for or limited to businesses that make no retail sales. There is no license fee for a use tax only account. This account is active until cancelled in writing by the account holder.

**What is use tax?**

If you purchase furniture, fixtures, equipment (not inventory) or supplies for use, storage or consumption in the City without paying the City sales tax you owe a use tax. You owe one or the other NOT both. The use tax is paid directly to the City by you, the consumer.

Examples:

- If you purchase office supplies from a direct mail catalog company outside the City and City tax is not charged, you must pay use tax directly to the City instead of the sales tax.
- You purchase a computer on the internet and no City tax is charged, you must pay use tax directly to the City instead of the sales tax.

Transactions specifically exempt from the City sales tax are also exempt from the City use tax.

**I am a construction contractor; do I pay sales tax on my materials and supplies?**
Yes, all construction materials and supplies brought into or used within the City are taxable. There is no exemption for jobs performed for government, religious or charitable organizations, as the contractor and/or subcontractor is considered the consumer of all tangible personal property used or consumed within the City.

**If I make a sale to a church or charitable organizations do I have to collect the tax?**
No, however the burden of proof of exempt sales rests with you. Religious and charitable organizations within the City are required to have a certificate of exemption provided by the City. Payment must also be made directly by the exempt organization.

**Are service sales taxable?**
Businesses primarily engaged in providing a service generally do not have to collect the City of Colorado Springs sales tax on that service. Charges for labor or services to install, apply, remodel or repair tangible personal property are not taxable, AS LONG AS the charge for the service is separately stated on the invoice to the consumer from any tangible personal property furnished as part of the service. If no separation is made, City sales tax applies to the total amount of that sale. Businesses that render a service or perform a service contract must pay sales tax or report use tax on purchases of tangible personal property used, stored, or consumed in Colorado Springs in the performance of their services.

**I make tangible personal property; do I have to collect sales tax on my labor?**
Yes, the sales or use tax is imposed on the full retail selling price of tangible personal property sold after manufacture or after having made to order.

**I repair tangible personal property; do I have to charge sales tax on labor?**
No, as long as the bill (invoice) separates the parts used from the labor expended, the tax may be charged on the parts only. Otherwise, the entire invoice amount is taxable.

**What if I am an e-commerce business, do I need a sales tax license?**
It depends on where you and your customer reside and how you are "shipping" the tangible personal property. If your business is in Colorado Springs and you have a customer in Colorado Springs, you need to have a City of Colorado Springs and Department of Revenue Sales Tax license to collect a tax rate of 8.25%. If your business is in Colorado Springs and your customer is within El Paso County, yet outside of the City of Colorado Springs you will need to contact the Department of Revenue to see if you need a license you may need to collect a tax rate of 5.13%. If your business is in Colorado Springs and your customer is anywhere within the State of Colorado you will need to contact the Department of Revenue to see if you need a license to collect a tax rate of 2.9%. If your business is in Colorado Springs and your customer resides outside of the state of Colorado and you will be mailing by common carrier (USPS, UPS &/or FedEx) you do not need to collect sales tax, your customer should be made aware that they should contact their local taxing jurisdiction to find out what they may or may not need to do in reference to use tax. IMPORTANT: this does not apply to delivery or when a transaction takes place in person. If transactions take place through delivery or in person outside of the City of Colorado Springs you will need to contact that local taxing jurisdiction and ask them what constitutes "nexus and/or engaged in business".

**I have a business on a local military base; do I need a sales tax license?**
Peterson Air Force Base is the only base located within the city limits of Colorado Springs. If retail sales are being made to non-exempt individuals/entities, a sales tax license from the City of Colorado Springs is required. Fort Carson, US Air Force Academy, Cheyenne Mountain Air Force Station and Schriever Air Force Base are all located outside the City of Colorado Springs, contact the Department of Revenue.

# Questions on existing Sales and/or Use Tax Licenses

**Does the Colorado Department of Revenue share the same rules on taxation as the City of Colorado Springs?**
No, you will need to contact both entities to define what is taxable and not taxable.

**When are my taxes due?**

- All returns are due on the 20th of the month following the reporting period.
  - ✓ Monthly- filed each month and due on or before the 20th of the month following the month being reported.
  - ✓ Quarterly, First Quarter: January, February and March, due April 20, Second Quarter: April, May and June, due July 20, Third Quarter: July, August and September, due October 20, Fourth Quarter: October, November and December, due January 20.
- A return must be filed even if there is no tax liability due.
- Failure to file a return by due date will result in an assessment of "estimated" tax, together with penalty, interest, and cost of collection.
- Sales/Use Tax Returns will **NOT** be mailed to you at the end of each month or quarter. The sales tax return is available on our website, visit coloradosprings.gov for a fillable PDF version of our sales tax return or you can register as a new user and file your sales tax return online.

**If I am late in filing my return, is there a penalty?**
If the return is filed after the 20th you must add a 10% penalty and interest up to 1% per month of the total tax due.

**Will I be required to renew my sales tax license?**
Yes, there will be a required $20.00 license renewal fee for every odd numbered year, example of upcoming due dates: December 31, 2021, December 31, 2023, December 31, 2025, and December 31, 2027 etc. You will receive documentation provided by us through USPS to remind you of the renewal. You will need to notify our office if you chose to cancel. Your account will not be processed as cancelled should you not pay the renewal fee.

**What if my entity name changes?**

- If you are a Sole Proprietor and/or a General Partnership and your last name changes you'll need to notify us in writing and provide proof your name has legally been changed along with the Sales Tax Office Account Maintenance Form. If you are a sole proprietor and you are selling your business to another person we will need to cancel your license and they will need to apply for a sales tax license.
- If you are a general partnership and are requesting to remove a partner, the license will need to be cancelled and the surviving partner will need to apply for a sales tax license.
- If you incorporate from a Sole Proprietor or General Partnership you will need to cancel your existing license and apply for a new license. Our Sales Tax licenses are not transferrable.
- If you are one of the following: LLC, Corporation, Incorporated or LTD and have a federal identification number associated with your entity name and the entity name changes you will be required to provide the IRS letter 147C (an amended name change) & the Sales Tax Office Account Maintenance Form. If all items are provided we will update your entity name as long as the FEIN# did not change. If your federal identification number has changed we will need to cancel your license and a new application and license fee will need to be applied for.

**What if my Doing Business As (DBA) changes?**
Provide our office with the Sales Tax Office Account Maintenance Form that you're DBA has changed and we will gladly change your account to reflect that change, at no cost to you.

**What if my business and/or mailing address changes?**
Provide our office with the Sales Tax Office Account Maintenance Form that your business and/or mailing address has changed and we will gladly change your account to reflect that change at no cost to you.

**I overpaid my tax, how do I get a refund?**
Any claims for refund must be made within 36 months from the time the tax was paid on forms prescribed by the City. You may be asked to provide documentation to support your claim for refund.

**I need to amend a sales tax return, how can I do this?**
If a calculation is in error on a return and the figures need to be adjusted visit our website coloradosprings.gov, search sales tax amended return. You will need to fill out the sales tax amended return worksheet as well as the instructions & signature page; both will need to be remitted to this office.

**How long do I have to keep my sales and use tax records?**
You must maintain books and records and make those records available when requested for a period of 36 months. These records may be used to determine the amount of correct sales or use tax liability.

**I need to cancel my sales tax license, how do I do this?**
You can do one of three things; list the cancellation date on your final sales tax return, email or mail the Sales Tax Account Maintenance Form.

**My business is in an enterprise zone; can I get an exemption from the sales and use tax?**
No, the City does not have an exemption from the sales or use tax in an enterprise zone.

**My business is in a PIF area; what does that mean?**
A PIF is a Public Improvement Fee; this is NOT administered by the City of Colorado Springs nor is it a special tax or should be labeled as a tax. A PIF is a FEE imposed by the developer to recoup costs on the developed infrastructure of a specified area.

**What online services are available at this time?**
Currently you are able to file a sales and use tax return, current and past due. Apply for a sales tax license, add a new location to an existing license, pay your renewal or view & print your tax license.

**Can I renew my sales tax license online?**
Yes, this feature is available.

**What is a Customer ID?**
This is your City of Colorado Springs Sales Tax number; can be found on your sales tax return or your green sales tax license.

**What payment forms do you accept online?**
We accept ACH Debit only.

**What is the originator ID or debit block number?**
Give this number to your bank, 1522077581

**Can I predate my online payment?**
No, we do not have that capability to postdate payments.

**I received a 404 error when I remitted my payment?**
Try again, that is a 3rd party server error, that means the server is temporarily busy and the payment did not go through.

**Can I cancel and/or update my account online?**
No, you will need to remit the Sales Tax Office Account Maintenance Form by mail, email and/or on a sales tax return.

# Sales Tax Office
# Account Maintenance Form

- Every taxpayer must notify the city to cancel a sales tax license when the taxpayer ceases making taxable sales and taxable purchases subject to city sales tax, Ord. 2.7.506.
- Any changes to your account, email the completed form to salestax@coloradosprings.gov .
- We will contact you for additional information if your FEIN# has changed.
- There is no fee to process the account maintenance form.

**This form must be completed in its entirety; all incomplete forms will not be processed. Write N/A if not applicable.**

Account Number (customer ID / tax license number): _____ Today's Date: _____

Name of Business (entity): _____

DBA (doing business as): _____

Business Address (retail location / cannot use PO Box): _____

Business City _____ State: _____ Zip Code: _____

Attention: _____

Mailing Address (PO Box is acceptable for a mailing address): _____

Mailing City: _____ State: _____ Zip Code: _____

Telephone Number: _____ / _____ - _____ Ext: _____

Secondary Number: _____ / _____ - _____ Ext: _____

Email: _____ Website: _____

Primary Contact First & Last Name: _____ Primary Phone: _____

Email: _____ @ _____

- Has your Federal Identification Number changed recently (yes/no)? _____ If yes, list here: _____
- Has the name of your entity been changed recently (yes/no)? _____ If yes, attach IRS letter 147C.
- Has the name of your DBA (doing business as) changed recently (yes/no)? _____
- If yes, what is your new DBA (write see above if listed)? _____
- Are you requesting to change your filing frequency (yes/no)? _____ What frequency do you request? _____
- If no longer in business, list your cancellation date here (month/date/year): _____
- Other Request(s): _____

| Official Use Only |
|---|
| Employee Initials: |
| Date Received: |
| Date Processed: |

Signature of Authorized Person: _____

Printed Name (First/Last): _____

Telephone: _____

Email: _____

SAMPLE

# INSTRUCTIONS FOR CITY OF COLORADO SPRINGS SALES AND/OR USE TAX RETURNS

- ✓ *Return MUST be filed even if there is NO tax due*
- ✓ *Make check payable to the City of Colorado Springs*
- ✓ *Retain returns and supporting documentation for 3 yrs*
- ✓ *Sign and date the return; return in envelope provided*

*Line-By-Line Instructions:*

**Line 1: "Retail" Gross Sales and Service**

- Total receipts from City activities must be reported including all sales and leases of tangible personal property, and **ALL** services both taxable and non-taxable.
- If you are not selling at retail and are reporting use tax, skip to instructions for line 8. Do not list your use tax in your gross sales. The difference between the two, sales tax is paid to the seller of the item(s) who then remits the tax to the city; use tax is paid directly to the city by the purchaser.

**Line 2A: Bad Debts collected**

- Report any amount you have collected which was deducted on a previous sales tax return as bad debt.

**Line 2B: Total Lines 1& 2A**

- Add lines 1 and 2A

*Deduction Overview:*

- *When claiming a deduction, the deduction must have been included in the gross sales and services listed on line 1 on this or previous sales tax returns.*
- *You may not deduct your business expenses as you would for income tax purposes; the sales tax is on transactions, not profits.*
- *List each deduction category separately as it applies to your business.*

**Line 3A: Non-taxable Service Sales**

*Note: This is not all inclusive. Some services are taxable. Listed below are the most common examples of taxable and nontaxable.*

- Deduct all non-taxable services which are included on line 1.
- Labor and services used to manufacture an item is included in the retail price of the item sold and is taxable; while repair labor is exempt if separately stated on the invoice to the customer.
- Combined billing of tangible personal property and service: when no separation of the service, labor, parts and markup is shown on the invoice to the customer, the combined charge is taxable; if the service or labor is separately itemized, the service or labor is not taxable and can be claimed as a deduction.
- Freight and delivery charges are generally taxable if in conjunction with the sale of a taxable item.
- Research and development charges typically are not taxable, however any product sold as a result of the research and development is taxable.
- If in doubt about whether to charge sales tax on a service, please contact our office.

**Line 3B: Sales to other licensed retailers for taxable resale**

- To document this deduction, if the retailer is located in the City you should obtain a copy of the retailer's City of Colorado Springs Sales Tax license or if located outside the City a copy of the State Retail Sales Tax license.
- If the sale is for the licensed retailer's own use or consumption, rather than for resale, it is not exempt.

**Line 3C: Sales shipped out of the City and/or state**

- Deduct sales if you ship or deliver the merchandise by third party common carrier or your own vehicles to a location outside the City for use outside the City of Colorado Springs.

**Line 3D: Bad Debts charged off**

- Deduct taxable sales which you have charged off as a bad debt if you have previously (or on this return) remitted sales tax to the City on those sales.
- If you collect that debt in the future, you will need to add it on line 2A and remit the tax.
- Bad debt deductions are not allowed on motor vehicle sales or on secured property (where the seller has the right to repossess the item.

**Line 3E: Trade-ins for taxable resale**

- For transactions subject to City sales tax, deduct the amount allowed for a trade-in, up to the fair market value, if you will resell the goods in the normal course of business.

**Line 3F: Sales of gasoline and cigarettes**

- Deduct all sales of pre-packaged cigarettes and all sales of motor fuel on which the gasoline or special fuel tax has been paid
- Cigarettes are not taxable. Tobacco items such as loose tobacco, cigars, snuff and chew are taxable.
- Fuel not used on the highway such as Dyed Diesel Fuel used in generators or construction equipment is taxable.
- Aviation gasoline is exempt from City of Colorado Springs sales tax, aviation jet fuel is subject to City sales tax.

**Line 3G: Sales to governmental, religious and charitable organizations**

- Deduct sales to governmental entities or to organizations which have been specifically exempted by the City of Colorado Springs.
- To qualify for tax exemption, the purchase must be paid for directly by the organization with funds of the organization and without intent to be reimbursed by any individual.
- Purchases made using cash, personal check or personal debit/credit card are not exempt.
- For military transactions, a Fleet Card and/or a Purchasing Card will be a direct purchase and exempt from sales tax. A Travel and/or Integrated Card may or may not be exempt, the sixth digit will indicate if taxable or not. Please contact our office for more information.
- To document this deduction for non-governmental entities, you should obtain a copy of the exemption letter issued to the organization by the City of Colorado Springs.

**Line 3H: Returned Goods**

- Deduct the selling price of goods which have been returned for a refund if City Sales tax was charged on the original sale.

**Line 3I: Prescription drugs and prosthetic devices**

- Deduct the sale of prescription drugs, medical supplies, prosthetic devices, orthopedic appliances, therapeutic devices, oxygen and related accessories, if sold by prescription or a recommendation from a licensed practitioner, this includes both human and animal consumption.
- Items such as spas and hot tubs are not exempt, even if prescribed by a doctor, since they are not designed specifically as therapeutic devices.

**Line 3J: Groceries**

- Deduct sales of food items sold for preparation and/or consumption at home.
- Prepared food or food sold for immediate consumption, as at a restaurant, gift shop, snack bar, or like establishment, is not exempt from sales tax.
- All food items sold in vending machines are taxable.
- Sales by bakeries or pastry shops which do not have an eating facility, and that sell and package their products in the same manner as a grocery-type store are not taxable. Sales by bakeries or pastry shops which have an eating facility are taxable except for items sold on a take-out or to-go basis not to be consumed at the eating facilities provided by the retailer.
- Food sold by caterers is generally taxable. If the caterer operates a retail store selling food items marked for home consumption, the rules governing the taxability of food under bullet 1 and 2 would apply.
- Food marketed for home consumption and sold by a liquor store is exempt. Alcoholic beverages, including spirituous, malt or vinous liquors are taxable. However cocktail mixes which do not contain alcohol, cooking wines, and wine vinegars are exempt.
- Street Vendors, push carts, mobile food stands and the like will generally be subject to tax on their sales. Sales of vegetables, fruit and other groceries marketed for home consumption by mobile markets or door-to-door vendors are exempt.

**Lines 3K, 3L, 3M: Other deductions**

- Deduct nontaxable sales not included in above categories.
- You **MUST** provide an explanation of the deduction along with the dollar amount.
- Lottery tickets are exempt from sales tax.
- Gift Certificates, Gold Cards and Gift cards are not taxed until used by customer.

**Line 3 Total Deductions (Sum of line 3A-3M)**

- If your total deductions exceed the amount on line 1, please provide an explanation as to which previous returns included the amounts you are deducting.

**Line 4 Total City Net Taxable Sales & Service**

- Subtract line 3 total deductions from line 2B, and enter the difference on line 4.

**Line 5A Amount of City of Colorado Springs Sales Tax**

- Multiply the sum on line 4 by the tax rate effective for the period of the return.
- Line 4 multiplied by 3.12% (X .0312) equals sales tax due to the City of Colorado Springs.

**Line 5B Amount subject to Lodgers Tax**

- Multiply the sum on line 4 by the tax rate effective for the period of the return.
- Line 4 multiplied by 2.0% (X.020) equals lodger's tax due to the City of Colorado Springs.
- Lodgers tax is imposed on the entire amount charged for the furnishing of lodging services or campground space rental to any occupant of a hotel, inn, bed and breakfast, apartment hotel, motor hotel, guesthouse, guest ranch, resort, mobile home, auto camp, trailer court or park, campground, vacation rental or similar establishment for a period of less than thirty (30) consecutive days and is in addition to the 3.12% Sales Tax.
- Lodger's tax does not apply to a specifically stated charge for the use of meeting rooms, display rooms, banquet facilities or other facilities that do not contain sleeping accommodations.

**Line 5C Amount subject to Auto Rental Tax**

- Multiply the sum on line 4 by the tax rate effective for the period of the return.
- Line 4 multiplied by 1.0% (X .010) equals Auto Rental Tax due to the City of Colorado Springs.
- The 1% rate applies to short term (less than 30 consecutive days) rentals of automotive vehicles commonly recognized as a passenger car and is in addition to the 3.12% Sales Tax.

**Line 6: Add excess tax collected**

- Report any tax collected in excess of the effective sales tax rate if you do not refund that over-collected tax to your customers.

**Line 7: Vendors Fee**

- The Vendor fee has been eliminated for all filing periods on or after January 1, 2010, per Ordinance No. 09-141.

**Line 8: City Use Tax**

- If you purchase supplies or equipment for your businesses own use or consumption and you paid no sales tax or were taxed at a rate lower than the combined State of Colorado and City of Colorado Springs tax rates. Multiply the total by the effective tax rate to compute the use tax due.
- Do not pay use tax on your inventory unless you are the end user of your inventory; use tax is due only if City Sales Tax has not been paid on purchases made for the use in your business.

**Line 9: Motion Picture Theater Admissions Tax**

- Theater Operator: Any person, whether owner, operator, lessee or any other person who charges or causes to be charged admission to a performance of a motion picture theater open to the public.
- An excise tax of two percent (2%) on the price paid to gain admission or access to any performance of a motion picture in the City which is open to the public. The excise tax is in addition to all other taxes imposed by law.
- Net sales x 2% (x.020) equals Motion Picture Theater Admissions Tax due to the City of Colorado Springs.

**Line 10: Bicycle Excise Tax**

- Bicycle Vendor: Any person or company engaged in the business of selling bicycles at retail.
- Bicycle: Every vehicle propelled solely by human power applied to pedals upon which any person may ride having two (2) tandem wheels or two (2) parallel wheels and one forward wheel, all of which are MORE THAN fourteen inches (14") in diameter.
- New Bicycle: A bicycle not previously owned by a consumer.
- There is hereby levied and shall be paid by every bicycle vendor within the City an excise tax of four dollars ($4.00) on the sale of each NEW bicycle including each new bicycle sold with training wheels.
- Number of new bicycles sold x $4.00 equals Bicycle Excise Tax due to the City of Colorado Springs.

**Line 11: Total Tax Due**

- The sum of Lines 9 and 10

**Line 12: Late Filing, Penalty**

- Multiply the amount on line 11 by the percentage as shown, 10% (X .100).
- If you received an assessment of estimated tax due for this period, the minimum penalty is $15.00

**Line 12: Late Filing, Interest per Month**

- Multiply the amount on line 11, to retrieve the current percentage rate contact our office. This interest rate can change yearly. The interest will be no greater than 1%.
- This is the amount of interest that is due for each month the return is late.
- Interest begins the first day after the original due date.

**Line 13: Total Tax Penalty and Interest Due**

- Add lines 11 and 12.

**Line 14A: Add (Underpayment)**

- If you have been issued a notice of underpayment by the City of Colorado Springs Sales Tax office, enter the amount on line 14a.
- Attach a copy of the notice you received.
- Leave this line blank if you have not received a notice.
- If you need to make adjustments to prior periods without having received a notice, you must file an amended return.

**Line 14B: Add (Overpayment/Credit)**

- If you have been issued a notice of overpayment by the City of Colorado Springs Sales Tax office, enter the amount on line 14b and deduct from line 13.
- Attach a copy of the notice you received.
- Leave this line blank unless you have received a notice.
- If you need to make adjustments to prior periods without having received a notice, you must file an amended return.

**Line 15: Total due and payable**

- Add lines 13 and 14A or subtract lines 13 from 14B
- Enclose a check or money order for this amount, payable to City of Colorado Springs; do not staple check to return.

**Schedule C: Consolidated Accounts**

- A retailer engaged in business in two or more places/locations, whether within or outside the City limits and collecting taxes, may file one return covering all places/locations. Note: An application and license fee is required and must be submitted to our office per place/location. See application for consolidation preference.
- If you are filing a return for more than one business location under a single number, you are required to list the individual accounts numbers, business addresses of the individual accounts, and the gross and net sales for the period covered.
- Please indicate on return if any of these business locations have moved and/or cancelled.

**Additional Information**

- Use the return corresponding to the period and account number for which you are filing.
- If you are no longer conducting business, please write a cancellation date on the top copy of the sales tax return and enclose your City of Colorado Springs sales tax license for cancellation.
- If the Entity, DBA, address and/or telephone number of your business has changed, indicate the new information on the return. If only an address change please indicate whether business, mailing and/or both.
- Should you need to amend a tax period please visit our website for the amended return, ColoradoSprings.gov, search Sales Tax, select “File a Return”.

# CITY OF COLORADO SPRINGS SALES TAX RETURN

- Return must be filed even if no tax due
- Returns are late if not in tax office or postmarked by due date
- Always retain a copy for your records
- Make check or money order payable to The City of Colorado Springs
- Questions: Tele: 719-385-5903 or Email: salestax@springsgov.com
- Mailing address:
  City of Colorado Springs, Department 2408, Denver, CO 80256-0001
- Online Services, instructions, additional forms & amended returns are available on our website: ColoradoSprings.gov, search "Sales Tax"
- If reporting use taxes on line 8 of this tax return please attach a detailed schedule

| PERIOD COVERED | DUE DATE | ACCOUNT / CUSTOMER ID |
|---|---|---|
| | | |

| | | | |
|---|---|---|---|
| 1. | **GROSS SALES AND SERVICE** | (TOTAL RECEIPTS FROM CITY ACTIVITIES MUST BE REPORTED INCLUDING ALL SALES, RENTALS, & LEASES, & ALL SERVICES BOTH TAXABLE & NON-TAXABLE) | |
| 2A. | **ADD: BAD DEBTS COLLECTED** | | |
| 2B. | **TOTAL LINES 1 & 2A** | | |
| 3A. | NON-TAXABLE SERVICE SALES (INCLUDED IN LINE 1) | | |
| 3B. | SALES TO OTHER LICENSED DEALERS FOR TAXABLE RESALE | | |
| 3C. | SALES SHIPPED OUT OF CITY AND/OR STATE (INCLUDED IN LINE 1) | | |
| 3D. | BAD DEBTS CHARGED OFF (ON WHICH CITY SALES TAX HAS BEEN PAID) | | |
| 3E. | TRADE-INS FOR TAXABLE RESALE ( FOR CITY TAXABLE SALES ONLY) | | |
| 3F. | SALES OF GASOLINE AND CIGARETTES | | |
| 3G. | SALES TO GOVERNMENTAL, RELIGIOUS, AND CHARITABLE ORGANIZATIONS | | |
| 3H. | RETURNED GOODS (ON WHICH CITY TAX WAS PAID) | | |
| 3I. | PRESCRIPTION DRUGS AND PROSTHETIC DEVICES | | |
| 3J. | GROCERIES EXEMPTED BY SECTION 2-7-415 OF ORDINANCE | | |
| 3K. | OTHER DEDUCTIONS (LIST) | | |
| 3L. | | | |
| 3M. | | | |
| | **3. TOTAL DEDUCTIONS (TOTAL OF LINES 3A THRU M)** | | |
| | **4. TOTAL CITY NET TAXABLE SALES & SERVICE (LINE 2B MINUS TOTAL LINE 3)** | | |

## COMPUTATION OF TAX

| | | |
|---|---|---|
| 5A. CITY SALES TAX **3.12%** OF LINE 4 = | | |
| 5B. AMOUNT OF LINE 4 SUBJECT TO LODGERS' TAX | _____ X **2.0%** = | |
| 5C. AMOUNT OF LINE 4 SUBJECT TO AUTO RENTAL TAX | _____ X **1.0%** = | |
| 6. ADD EXCESS TAX COLLECTED = | | |
| 7. DEDUCT **0%** OF LINE 7 (VENDOR FEE, IF PAID BY DUE DATE) = | | N/A |
| *8. CITY USE TAX – AMOUNT SUBJECT TO TAX | _____ X **3.12%** = | |
| 9. MOTION PICTURE THEATRE ADMISSIONS TAX | _____ X **2.0%** = | |
| 10. BICYCLE EXCISE TAX – # OF NEW BICYCLES SOLD | _____ X **$4.00** = | |
| **11. TOTAL TAX DUE (ADD LINES 5A THROUGH LINE 10)** | | |
| 12. LATE FILING ADD IF RETURN IS FILED AFTER DUE DATE | PENALTY X **10%=** | |
| | INTEREST PER MONTH X **.000%=** | Contact office for % |
| **13. TOTAL TAX PENALTY AND INTEREST DUE (ADD LINES 11 AND 12)** | | |
| 14. ADJUSTMENT PRIOR PERIODS (ATTACH COPY OF OVER OR UNDER PAYMENT NOTICE) | A. ADD (+) | |
| | B. DEDUCT(-) | |
| **15. TOTAL DUE AND PAYABLE** | | **$** |

**SCHEDULE C – CONSOLIDATED ACCOUNTS REPORT – SALES TAX**

- **This form is required in all cases in which the taxpayer makes a consolidated return which includes sales made at more than one location.**
- **It must be completely filled out and convey all information required in accordance with the column headings. If additional space is needed, attach a schedule in same format.**

| LOCATION NUMBERS | BUSINESS ADDRESSES OF CONSOLIDATED ACCOUNTS | PERIODS TOTAL GROSS SALES (AGGREGATE TO LINE 1) | PERIODS NET TAXABLE SALES (AGGREGATE TO LINE 4) | LOCATION NUMBERS | BUSINESS ADDRESSES OF CONSOLIDATED ACCOUNTS | PERIODS TOTAL GROSS SALES (AGGREGATE TO LINE 1) | PERIODS NET TAXABLE SALES (AGGREGATE TO LINE 4) |
|---|---|---|---|---|---|---|---|
| | | $ | $ | | | $ | $ |
| | | | | | | | |
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| | | | | | | | |
| | | | | | | | |
| | | | | | **AGGREGATE TOTALS:** | $ SUM = LINE 1 | $ SUM = LINE 4 |

| IF NO LONGER IN BUSINESS LIST YOUR CANCELLATION DATE BELOW: | SHOW BELOW NAME AND/OR ADDRESS CHANGE: ☐ BUSINESS ADDRESS / ☐ MAILING ADDRESS | I HEREBY CERTIFY, UNDER PENALTY OF PERJURY, THAT THE STATEMENTS MADE HEREIN ARE TO THE BEST OF MY KNOWLEDGE TRUE AND CORRECT. |
|---|---|---|
| _____ / _____ / 20____<br>(RETURN YOUR SALES TAX LICENSE WITH THIS RETURN IF BUSINESS IS CANCELLED) | _____<br>_____<br>_____<br>_____ | SIGNATURE: _____<br>COMPANY: _____<br>PHONE: _____<br>EMAIL: _____<br>TITLE: DATE: |

SAMPLE

# Consumer Use Tax Return Information and Instructions

This form must be filed if:

- You recently acquired a new retail sales tax license, see below letter A.
- You recently acquired a new use tax only account, see below letter A.
- You are a Colorado Springs Resident and have not paid sales tax on your purchases, see below letter C.

Please note established businesses with an **existing** retail and/or use tax license should remit **future** use tax due to the City of Colorado Springs using line 10 of your sales tax return.

**What is use tax?**
Use tax is a tax due on the purchase, lease or rental of tangible personal property (excluding inventory for resale) and on certain services. The tax is due when no City of Colorado Springs sales tax was paid. Use Tax applies to the same type(s) of transactions as the sales tax, and at the same tax rate of 3.12%. The difference between the two: sales tax is paid to the seller of the item(s) who then remits the tax to the City; use tax is paid directly to the City. If you do not pay sales tax on the purchase of a taxable item, you pay city use tax.

**Specific Instructions for the types of users:**

**A. New Business Owner:**
- Any person who starts or purchases a business in the City must complete the use tax return and report all property purchased including machinery and equipment, office equipment, furniture, supplies, etc. List the purchase price of all taxable property using columns A-D.
- If property is exempt, or if the City sales tax or comparable city tax has been paid, do not list those purchases, tax is considered paid in full.

**B. Existing Business:**
- Any existing business with a city sales and/or use tax license should use their city sales tax return, not this use tax return, to report purchases of property subject to the city use tax.
- Any business that does not have city sales and/or use tax license that makes a one-time purchase subject to the city use tax must report the purchase using columns A-D of this use tax return.
- If a business makes repeated purchases that are subject to the use tax, the business must obtain a city Use Tax Only Account. Visit our website for more information.

**C. Colorado Springs Residents:**
- City Tax Code 2.7.427 permits a one hundred dollar ($100) use tax exemption for residents. Any resident who purchases an appliance, household furniture, furnishings, wearing apparel or accessories, outside of the city, and subsequently brings the item into the city for personal use, with a value of less than one hundred dollars, is exempt from consumer use tax. The exemption is to be applied to each item's individual price and is limited to the listed categories above. This exemption does not apply to online purchases or for business use.

**What if I am late?**
Returns and tax payments are due on or before the due date printed on the return or the 20th day of the new month following the purchase. Failure to file the return and pay the tax by the due date may result in a penalty of 10% of the tax plus interest.

Please retain records of purchases for at least three years. The burden of proof of exempt sales and purchases lies with the taxpayer.

**Question/Answer:**

**How would I begin to locate all this information, examples could include yet not limited to?**
- Asset depreciation schedule (as filed on your Federal Income Tax returns)
- Itemized list of property purchased or rented on a contract

- Items purchased to use in your business that City sales tax was not paid such as an internet purchase, out of state purchase, out of city purchase, Craig's list, eBay, Amazon, items purchased on a military installation etc.
- Balance Sheet (Financial Accounting Records)
- Assets as recorded in your General Ledger
- Invoice copies & related payment information

**What if I bring the item from home or originally bought the item for home use?**

- If you purchased the item and used it at home, you must list the store or individual you bought the item from along with an address (if known) in Column B.
- If you paid City sales tax on the item when you purchased it, no use tax is due.
- If you did not pay City sales tax on the item when you purchased it, City use tax is due.

**If I lease or rent tangible personal property, is tax still due?**

- A lease or rental of tangible, personal property is subject to tax. City sales tax is due on your monthly payments.
- If your lease/rental agreement DOES NOT show City sales tax charged, City use tax is due on your monthly payments. The monthly payments are to be reported on your City sales tax returns (line 10) which will be mailed to you on a monthly or quarterly basis, depending on the filing status indicated on the application for your City license.

**Is use tax due on the purchase of business "property"?**

City use tax is due on the purchase of business property if no City sales tax was paid to the seller. This DOES NOT include inventory for resale.

- Example: if a business buys a cash register from a local store and pays sales tax to that store, no use tax is due.
- Example: A business buys a cash register from an out-of-state company via catalog or internet purchase and pays no City sales tax on that purchase, City use tax is due. Use Column D.

**Is use tax due on the purchase of a "business"?**

- If the purchase contract separately lists the value of furniture, fixtures, equipment, and operating supplies that are purchased as part of a business, and NO City sales tax was paid to the seller, City use tax is due on the listed purchase price, or on the fair market value, whichever is greater.
- If the purchase contract is a lump-sum deal with no provision for City sales tax, City use tax is due on the book value of assets set up for the Federal income tax depreciation purposes or the fair market value, whichever is greater.

**Is use tax due if I brought tangible personal property in from another city and I paid sales tax on the item(s)?**

- If the sales tax rate due and paid to another Colorado municipal city is **less** than 3.12%, use tax would be due on the difference between the two rates. Example: The tax rate due and paid to another Colorado city was 2%, you would owe an additional 1.12% City tax. If the sales tax rate paid to another Colorado municipal is **greater** than 3.12%, no additional City tax is due.

**Is use tax due if I brought tangible personal property in from another state?**

- If the sales tax rate due and paid to another state, or another state in combination with any political subdivision of that state, is equal to the total rate of 8.25% (the combined rate of the State of Colorado, City of Colorado Springs, El Paso County, and PPRTA), no use tax is due the City of Colorado Springs. If the sales tax rate due and paid to another state, or another state in combination with any political subdivision is greater than the combined rate of the State of Colorado, El Paso County and the Pikes Peak Rural Transportation Authority of 5.13%, then the rate of tax paid in excess of this rate is allowed as a credit against the City of Colorado Springs rate of 3.12%. Example: The tax rate paid to another state was 6.0%, you would owe 2.25% tax to the City (6.0%-5.13%=.87%/ Then 3.12%-.87%=2.25%).

# USE TAX RETURN

Period Covered: _____
Due Date of Return: _____
Customer ID: _____

Entity Name: _____
Doing Business As: _____
Mailing Address: _____
City, State, Zip Code: _____

This form is specific to this business location:
Location Number: _____
Doing Business As: _____
Location Address: _____

- Itemized report of taxable property or services where sales tax was **NOT** paid at the time of purchase.
- Additional sheets other than this form may be attached if needed.
- Return must be filed even if no use tax is due.
- Failure to return this form may result in assessment of estimated tax due.
- Checks or money orders payable to the City of Colorado Springs.

| A.) Date of purchase | B.) Name of vendor | C.) Description of property purchased | D.) Purchase price total |
|---|---|---|---|
| *Ex. 1/1/2014* | *Taylor Copiers* | *Copier and fax machine (did not charge me sales tax)* | *$1500.00* |
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|---|---|
| Total of purchase price, the sum of column D: | $ |
| Total multiplied by | X 3.12% |
| Use Tax Due= | $ |
| Late filing _____ x 10.0% penalty= | |
| Late filing _____ x 0.00% interest= | Contact our office for % |
| Total due and payable: | $ |

COLORADO SPRINGS

Sales Tax
Department 2408
Denver, CO 80256-0001
Tel: 719-385-5903, Fax: 719-385-5291
Email: salestax@coloradosprings.gov

Signature: _____
Printed Name: _____
Title: _____
Phone _____ Date _____

SAMPLE

## The following list below is for your convenience in locating various departments which may or may not require licensing

| | |
|---|---|
| Department of Revenue (State):<br>Sales and Use Tax Licenses<br>(Southeast corner Van Buren and Union- on union between Fillmore and Constitution, the Audubon Village Shopping Center, ask State tax office) | 2447 North Union Blvd.<br>Colorado Springs, CO 80909<br>Phone: 719-594-8706<br>Phone: 303-238-7378<br>Web Address: www.colorado.gov/revenueonline<br>Tax Workshops and Education: www.TaxSeminars.state.co.us |
| Internal Revenue Service (IRS)<br>Income Tax and Federal Identification Number (FEIN/EIN): | Executive Tower<br>2864 South Circle Drive<br>Colorado Springs, CO 80906<br>Phone: 719-579-5227<br>Phone order forms: 1-800-829-3676<br>Fax: 703-487-4160<br>Web Address: www.irs.gov |
| Colorado Secretary of State<br>Business Registration (DBA) | 1700 Broadway, Suite 200<br>Denver, CO 80290<br>Phone: 303-894-2200<br>Fax: 303-869-4864<br>Web Address: www.sos.state.co.us |
| City of Colorado Springs City Clerk<br>Food Peddlers but not peddling of tangible items, some business licenses, MMJ and Liquor Licenses | 30 South Nevada Avenue, Suite 101 (1st flr)<br>Colorado Springs, CO 80903<br>Phone: 719-385-5901<br>Fax: 719-385-5114<br>Web Address: coloradosprings.gov |
| City of Colorado Springs Development Review Enterprise<br>**Home Occupation Permit:** A home occupation permit may be allowed in any residential zone unless prohibited by the subdivision and/or development covenants. There are regulations and specific requirements for home-based businesses with some types of occupations prohibited. | 30 South Nevada Avenue, Suite 105<br>Colorado Springs, CO 80903<br>Phone: 719-385-5905<br>Fax: 719-385-5167<br>Web Address: coloradosprings.gov |
| City of Colorado Springs Development Review Enterprise<br>**Temporary Use Permit:** Temporary sales on private property to include peddling tangible items, tent sales, agriculture sales, carnivals or Christmas Tree sales in a parking lot. | 30 South Nevada Avenue, Suite 105<br>Colorado Springs, CO 80903<br>Phone: 719-385-5905<br>Fax: 719-385-5167<br>Web Address: coloradosprings.gov |
| City of Colorado Springs Land Use Review<br>**Revocable Permit**: A temporary or permanent permit for private use of public right-of-way. 'Permanent' permits can include outdoor cafes, parking, landscaping, lighting, newspaper boxes, etc. Temporary permits can include real estate signs, political signs, dumpsters, POD storage containers, etc. Does not include peddling, food peddlers see City Clerk; tangible items must be on private property, see temporary use permit. | 30 South Nevada Avenue, Suite 105<br>Colorado Springs, CO 80903<br>Phone: 719-385-5905<br>Fax: 719-385-5167<br>Web Address: coloradosprings.gov |
| El Paso County Public (environmental) Health<br>Retail Food Establishment License for new retail food establishment, reopen an existing retail food establishment, remodeling a retail food establishment or to operate a new mobile unit, reopen an existing mobile unit to include operating a special event retail food establishment. | 1675 West Garden of the Gods Road, Suite 2044<br>Colorado Springs, CO 80907<br>Phone: 719-578-3199<br>Web Address: www.elpasocountyhealth.org |
| El Paso County Assessor<br>Property Tax | 1675 West Garden of the Gods Road, Suite 2300<br>Colorado Springs, CO 80907<br>Phone: 719-520-6600<br>Fax: 719-520-6635<br>Web Address: http://land.elpasoco.com/ |

Vacation Rentals: Please see the Planning & Development Department, 30 S. Nevada Ave., Ste 105. Your zoning district will dictate how many rental units you are allowed to have within a property.

| | |
|---|---|
| El Paso County Clerk & Recorders Office<br>Motor Vehicle Registration, Driver's License Information | Downtown Office - Centennial Hall<br>200 South Cascade Avenue<br>Colorado Springs, CO 80903<br>Phone: 719-520-6243<br>Phone general information: 719-520-6240<br>Web Address:<br>http://car.elpasoco.com/MotorVehicle/Pages/default.aspx |
| El Paso County Construction and Building Materials Use Tax Collection, see Pikes Peak Regional Building per Intergovernmental Agreement. If permit applicant believes a project is exempt from Sales and Use Tax, the applicant must submit a Colorado Certificate of Exemption and a completed Use Tax Exemption Request form to El Paso County for approval prior to issuance of the building permit. | Pikes Peak Regional Building Department<br>2880 International Circle<br>Colorado Springs, CO 80910<br>Phone: 719-327-2880<br>Web Address: http://www.pprbd.org/<br><br>El Paso County Request<br>200 South Cascade Avenue, Suite 150<br>Colorado Springs, CO 80903<br>Phone: 719-520-6400<br>Fax: 719-520-6486<br>Email: usetax@elpasoco.com |
| Pikes Peak Regional Building Department<br>Contractor Licenses (registration and renewals), Building Permits etc. | 2880 International Circle<br>Colorado Springs, CO 80910<br>Phone: 719-327-2880<br>Web Address: http://www.pprbd.org/ |
| City of Colorado Springs Police Department | 705 South Nevada Avenue<br>Colorado Springs, CO 80903<br>Phone: 719-444-7000<br>Web Address: coloradosprings.gov |
| City of Colorado Springs Parks, Recreation & Cultural Services | Headquarters<br>1401 Recreation Way<br>Colorado Springs, CO 80905<br>Phone: 719-385-5940<br>Fax: 719-385-6599<br>Web Address: coloradosprings.gov |
| City of Colorado Springs Fire Department | 375 Printers Parkway<br>Colorado Springs, CO 80910<br>Phone: 719-385-5950<br>Web Address: coloradosprings.gov |
| Colorado Springs Utilities | Customer Care Center<br>111 South Cascade Avenue<br>Colorado Springs, CO 80903<br>Phone: 719-448-4800<br>Web Address: www.csu.org |
| Colorado Small Business Development Center<br>Colorado SBDC Network<br>(Located within the Pikes Peak Workforce Center)<br>Mission is to help businesses start, grow and prosper in El Paso and Teller counties. Provide free and unlimited business consulting and no or low-cost business training workshops. | 1675 Garden of the Gods Road, Ste 1107<br>Colorado Springs, CO 80907<br>Phone: 719-667-3803<br>Class Registration: 719-255-3844<br>Email: sbdc@uccs.edu<br>Web Address: www.CSSBDC.org |
| City of Colorado Springs Development Review Enterprise<br>**Sign Permits and City Sign Regulations:** Permanent signs such as Wall, freestanding, directional and directory signs as well as temporary signs such as banners and inflatable's require permits and planning review. There are specific regulations and restrictions on all signage in the city limits. See City Sign Ordinance 7.4.401. | 2880 International Circle, Suite 200<br>Colorado Springs, CO 80910<br>Phone: 719-385-5072<br>Fax: 719-385-5055<br>**Current sign ordinance**<br>coloradosprings.gov |