

City and County of Denver, Colorado

TAX GUIDE

Topic No. 47

LICENSES, FEES, AND REGISTRATION

There are four types of licenses granted by the Department of Excise and Licenses that affect tax collection. They are:

RETAIL SALES LICENSE (SALES TAX LICENSE)

A Retail Sales License, also referred to as a “sales tax license” is required for any retailer or vendor who is selling, leasing, or granting a license to use tangible personal property or taxable services to the user at retail within the City and County of Denver.

Fee: \$50.00 for each location per two-year period.

SPECIAL EVENT RETAIL SALES LICENSE

Businesses making retail sales at special events can be issued a special event retail sales license good for that event only. Special events are defined as being less than two weeks in duration. Participants in special events who hold regular retail sales licenses do not need to pay this fee. A person engaged in retail sales at more than three (3) special sales events in any two-year period years must apply to for a retail sales license.

Fee: \$5.00 for each special event.

RETAILER'S USE TAX LICENSE

This license is the same as, and has the same requirements as a retail sales license, except it is for retailers/vendors whose business is located outside the City and County of Denver.

Fee: \$50.00 per two-year period.

LODGER'S TAX LICENSE

A lodger's tax license is required for any vendor who provides lodging or accommodations in the City and County of Denver for a period of less than thirty (30) consecutive days.

Fee: \$50.00 for each location per two-year period.

All registrations must be renewed on a biennial basis effective Jan. 1, 2010.

Note: The above licenses and registration fee are not licenses to engage in business within the City. A separate business license must be obtained from the Department of Excise and Licenses, if applicable.

In addition to the above licenses, there are two other types of tax reporting accounts to facilitate payment of taxes. They are:

CONSUMER'S USE TAX ACCOUNT - NO FEE.

Any person who stores, uses, distributes, or consumes tangible personal property or any taxable service within Denver, on which the retailer/vendor does not collect Denver tax, shall report and pay the

consumer's use tax. If the person is not required to have a sales tax, the means of reporting the use tax liability is with a consumer's use tax account.

OCCUPATIONAL PRIVILEGE TAX ACCOUNT - NO FEE.

EMPLOYEES who perform sufficient services within Denver to earn \$500 per month are required to pay the EMPLOYEE Occupational Privilege tax at the rate of \$5.75 per month. The tax is withheld by the employer. In addition, EMPLOYERS are required to pay a BUSINESS Occupational Privilege tax at the rate of \$4.00 per month for each taxable employee, owner, partner, or manager. Thus, a total of \$9.75 per month per employee must be remitted to the City by the EMPLOYER.

Businesses located in Denver who do not have any taxable employees are required to pay the \$4.00 per month BUSINESS Occupational Privilege tax for each owner, partner or manager actively participating in the business. There is no \$500 compensation minimum for self-employed owners or proprietors.

Sales, Retailer's Use, and Lodger's tax licenses, as well as Consumer's Use and Occupational Privilege tax reporting accounts, may all be obtained by completing a single application form available from the Treasury Division.

RELATED TAX GUIDE TOPICS

1. Lodger's Tax
2. Sales Tax
3. Use Tax
4. Occupational Privilege Tax

- * DRMC Section 32-1. Enforcement by director of excise and licenses to have exclusive licensing powers.
- * DRMC Section 32-91. Lodgings.
- * DRMC Section 32-107. Retail sales license and occupational tax registration.
- * DRMC Section 53-76. (a), (b). Required – Retail License.
- * DRMC Section 53-77. Exemption
- * DRMC Section 53-146. Required – Retail License.
- * DRMC Section 53-148. When not required.
- * DRMC Section 53-216. Required – Lodger's License.

THE ABOVE INFORMATION IS A SUMMARY IN LAYMAN'S TERMS OF THE RELEVANT DENVER TAX LAW FOR THIS INDUSTRY OR BUSINESS SEGMENT. IT IS NOT INTENDED FOR LEGAL PURPOSES TO BE SUBSTITUTED FOR THE FULL TEXT OF THE DRMC AND APPLICABLE RULES AND REGULATIONS.