

# City and County of Denver, Colorado

## TAX GUIDE

### *Topic No. 13*

## CONSIGNMENT SALES

Any retailer/consignee who takes taxable tangible personal property, products, or services on consignment is required to obtain a sales tax license and must charge and collect Denver's sales tax on the full price from the purchaser when the items are sold at retail.

### EXAMPLES

1. John has a retail outlet for goods made by local artisans. The craftspeople place their goods on consignment with John to be sold to the general public. As the retailer, John must collect sales tax on the sales of the consigned goods.
2. Charlie operates an auction house and takes goods on consignment from businesses seeking to dispose of outdated or overstocked items, estates needing to liquidate assets such as furniture, etc., or anyone with items they want to sell. As the retailer, Charlie must collect sales tax on the sales of the consigned goods.

### RELATED TAX GUIDE TOPIC

Agents: Salespersons, Auctioneers, and Manufacturer's Representatives

- \* DRMC Section 53-53(a)((27). Definitions – Retailer or Vendor
- \* DRMC Section 53-56. Retailers to collect tax.
- \* DRMC Section 53-57. Retailer responsible for payment of tax.
- \* DRMC Section 53-70. Retail License Required.
- \* DRMC Section 53-103(a)(30). Definitions – Retailer or Vendor
- \* DRMC Section 53-106. Retailers to collect tax.
- \* DRMC Section 53-107. Retailer responsible for payment of tax.
- \* DRMC Section 53-120. Retail License Required.

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.