

City and County of Denver, Colorado

TAX GUIDE

Topic No. 47

LICENSES AND REGISTRATION

There are four types of licenses granted by the Denver Department of Excise and Licenses that pertain to the collection of Denver's excise taxes. 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 taxable tangible personal property, products, or services to retail user or purchase in Denver. No fee shall be charged for a retail sales license.

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 must apply to for a retail sales license. No fee shall be charged for a special event license.

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 Denver who are engaged in business in the city. No fee shall be charged for a retail use license.

LODGER'S TAX LICENSE

A lodger's tax license is required for any vendor who provides lodging or accommodations in Denver for a period of less than thirty (30) consecutive days. No fee shall be charged for a lodger's tax license.

All registrations must be renewed on a biennial basis effective on January 1st of every even numbered year.

Note: The above licenses 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

Any person who stores, uses, distributes, or consumes taxable tangible personal property, products, or services 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. No fee shall be charged for a consumer's use license.

OCCUPATIONAL PRIVILEGE TAX ACCOUNT

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. No fee shall be charged for an occupational privilege tax license.

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 at www.denvergov.org/treasury.

RELATED TAX GUIDE TOPICS

Lodger's Tax
Sales Tax
Use Tax
Occupational Privilege Tax

- * DRMC Section 32-1. Enforcement by director of excise and licenses to have exclusive licensing powers.
- * DRMC Section 32-82. Lodgings.
- * DRMC Section 32-107. Retail sales license and occupational tax registration.
- * DRMC Section 53-70 (a), (b). Retail License - Required.
- * DRMC Section 53-71. Exemption.
- * DRMC Section 53-120. Retail License - Required.
- * DRMC Section 53-170. Lodger's License - Required.
- * DRMC Section 53-210. Registration required.
- * DRMC Section 53-260. Registration 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.

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