

# City and County of Denver, Colorado

## TAX GUIDE

### *Topic No. 80*

## TRAVEL AGENTS

Travel agencies provide a service and, as such, generally do not sell tangible personal property at retail. In general, travel agents place and confirm reservations for lodging, airlines, car rentals, and tour packages. They may also issue airline and Amtrak tickets. Travel agents derive their income through fees (commissions) for providing this service.

Online travel companies who act in the capacity of a marketplace facilitator and/or who are a vendor of lodging by providing a lodging platform where the payment for a lodging is transacted and the lodging platform appears as the merchant of record on the Guest's credit card or account statement are required to collect and remit the Denver's Lodger's tax directly to the City.

Travel agencies are subject to sales or use tax on purchases of tangible personal property used or consumed in rendering their service, including items given away to customers, such as maps, brochures, and catalogs.

### EXAMPLE

ABC Travel, a Denver travel agency, issues an airline ticket to Dorothy for her quarterly trip to Las Vegas. ABC prints the airline ticket after reserving Dorothy's flight. ABC is required to pay sales or use tax on the purchase of the tangible personal property used or consumed to provide this service (e.g., paper, printing equipment).

### RELATED TAX GUIDES

Lodger's Tax  
Marketplace Facilitators  
Short Term Rentals

### REFERENCES

- \* DRMC Section 53-54(1),(6). Imposition of tax.
- \* DRMC Section 53-104(1),(5). Imposition of tax.

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.