

FREQUENTLY ASKED SALES TAX QUESTIONS

[Please refer to the Broomfield Municipal Code to supplement the following answers]
<http://www.broomfield.org/salestax>

1) HOW DO I CONTACT THE CITY & COUNTY OF BROOMFIELD SALES TAX ADMINISTRATION?

Mailing address: City & County of Broomfield, Sales Tax Administration,
P.O. Box 407, Broomfield, CO 80038-0407

Physical Address: One DesCombes Dr, Broomfield, CO 80020

Phone number: 303-464-5811

Fax number: 303-410-3802

Email address: salestax@broomfield.org

Website: www.broomfield.org/salestax

2) WHAT LICENSES DO I NEED TO DO BUSINESS IN THE CITY & COUNTY OF BROOMFIELD?

Broomfield Municipal Code (Section 3-04-080) requires a SALES TAX LICENSE. The license is issued at no charge. If you have a temporary cart at the FlatIron Crossing Mall, a \$200 cart deposit is required at the time of application. Your license application will be reviewed by other Broomfield departments before the license is issued. Therefore, allow 10 days to two weeks processing time PRIOR to opening your new business. Download the application from www.broomfield.org/salestax and fax to: 303-410-3802.

Broomfield does not require a separate "Business License", however, Liquor Licenses and Solicitor's Licenses are processed by the City Clerk Department at 303-438-6332.

Restaurants, Bars/Grills, and any other food type establishments must call the City & County of Broomfield Health Department at 720-887-2220, for a Health Department inspection and license PRIOR to opening.

3) DOES THE STATE OF COLORADO REQUIRE A SALES TAX LICENSE?

Yes. The State requires a license for each physical location. Also, a Special Event license is required for sales at locations "other than your normal place of business." There is a fee for both types of licenses. You can download state applications from their website:
www.colorado.gov/revenue/tax.

The State will provide a sales tax return for remittance of the State Sales Tax, RTD, Cultural District Tax, and the Football District Tax. **DO NOT** send the "FlatIron Improvement District" tax or the "Arista Local Improvement District" tax to the State of Colorado.

For a better understanding of the State of Colorado rules, please attend a State seminar. Go to: www.colorado.gov/revenue/tax for a listing of State Sales Tax Seminars.

4) IS IT NECESSARY TO REGISTER A BUSINESS TRADE NAME?

Yes, however, the *City and County of Broomfield* does NOT register trade names. This registration is done at the *Colorado Secretary of State*. You may register your trade name on the Colorado Secretary of State website: www.sos.state.co.us under the business section.

5) WHAT IS THE TOTAL SALES TAX RATE IN BROOMFIELD?

There are two possible rates depending on the location of the sale. The FlatIron Improvement District includes the FlatIron Crossing Mall and Village, FlatIron Crossing Marketplace, and FlatIron Crossing Main Street areas. The Arista Local Improvement District includes the 1stBANK Event Center area.

- 1) 8.15 % for all locations except those sales made in the “FlatIron Improvement District” and "Arista Local Improvement District."
- 2) 8.35 % for sales made in the “FlatIron Improvement District” ” and "Arista Local Improvement District."

	Arista District	Flatiron District	All Other	Send to:
State of Colorado	2.90%	2.90%	2.90%	Remitted to the <i>State of Colorado</i>
RTD/CD	1.10%	1.10%	1.10%	Remitted to the <i>State of Colorado</i>
City & County of Broomfield	4.15%	4.15%	4.15%	Remitted to the <i>City & County of Broomfield</i>
Special District	0.20%	0.20%	NA	Remitted to the <i>City & County of Broomfield</i>
Total	8.35%	8.35%	8.15%	

See the FlatIron & Arista map at the following website address: www.broomfield.org/maps

6) DOES A SERVICE BUSINESS, IN THE CITY & COUNTY OF BROOMFIELD, NEED A SALES TAX LICENSE?

No---The City & County of Broomfield does not tax personal services, thus a “service only” business does not need a Sales Tax License. Please contact Planning and Zoning Dept to determine if your business location is zoned properly for your service business at 303-438-6284.

If you sell personal property, and perform installation “services”, please email or call for a determination.

7) DOES THE CITY & COUNTY OF BROOMFIELD IMPOSE A LOCAL PAYROLL TAX?

No. Some metro cities require the collection of a “head tax” or “occupational tax”; however, Broomfield does not impose such a tax.

8) DOES THE CITY & COUNTY OF BROOMFIELD HAVE A CONSUMER USE TAX?

We do not have a consumer use tax **except** on Construction and Building Materials, and on Registered Motor Vehicles.

The estimated Use Tax on Construction and Building materials is paid to the Building Department when purchasing a Building Permit. Call 303-438-6249 for an estimate of the tax.

Registered Motor Vehicle Use Tax is collected when you title the vehicle with the County Department of Motor Vehicles. Call 303-464-5888 for an estimate of the tax.

9) DO I HAVE TO FILL OUT A SALES TAX RETURN FOR THE CITY & COUNTY OF BROOMFIELD?

Yes, Broomfield is “self-collected” as of January 1, 2002. After you register (See Licenses above) the Sales Tax Administration office will send you a license to post at your business location and Sales Tax Returns to remit the tax that you collect from your customers.

10) WHERE CAN I OBTAIN SALES TAX FORMS?

You can download sales tax forms from our website: www.broomfield.org/salestax, or call us at 303-464-5811, or stop by our City & County building in Central Records Division.

11) HOW DO I DETERMINE MY SALES TAX FILING STATUS?

Rules for filing status depend on the amount of Broomfield Sales Tax collected:

Monthly Filers: \$300 or more collected per month.

Quarterly Filers: Less than \$300 per month.

Annual Filers: Less than \$15 per month

The Filing Frequency Status can be changed by contacting the sales tax division at 303-464-5811.

12) WHAT IS THE “VENDOR FEE” ON MY SALES TAX RETURN?

If your Sales Tax Return is filed on time, you are entitled to keep 3% of the sales tax you have collected.

This credit is taken on Line 8 of the tax return and the credit is LIMITED to \$200 per sales tax return.

13) IF I HAD NO SALES FOR A FILING PERIOD, DO I STILL NEED TO FILE A SALES TAX RETURN?

Yes, you must file a "ZERO" sales tax return and declare no gross sales for that period. You may fax it to 303-410-3802, email it to: salestax@broomfield.org, mail it to us or deliver it to the City and County Building in the Central Records Division.

14) WHAT ARE THE SPECIAL IMPROVEMENT DISTRICT TAXES?

The FlatIron District elected to impose an improvement tax. This .2% tax is collected only on sales made in the FlatIron Improvement District. The Arista District elected to impose an "improvement" tax to finance the infrastructure and streets. An additional .2% tax is collected only on sales made in the Arista Local Improvement District. Both of these special district taxes are remitted on the Broomfield Sales Tax Return. Broomfield forwards the tax to the appropriate special district.

See the **FlatIron Improvement District** and the **Arista Local Improvement District** maps at the following website address: www.broomfield.org/maps

15) IS IT NECESSARY TO DISPLAY MY SALES TAX LICENSE AT MY PLACE OF BUSINESS?

Yes. After receiving your license, post it in a prominent location inside your business along with your State sales tax license. (Required by City Code, and State Statute) Posting tells your customer you are licensed to collect the sales tax and it allows for easy verification of licensing by inspectors.

16) HOW DO I APPLY FOR A SALES TAX OR USE TAX REFUND?

Please obtain a "Claim for Refund for Sales & Use Tax Paid" form available on our website: www.broomfield.org/salestax or from our sales tax department by fax, email, or regular mail. Please make copies of the appropriate documents and attach copies to the completed Claim Form and mail it to us or deliver it to the City and County Building in the Central Records Division.

17) DOES MY INTERNET OR ONLINE RETAIL BUSINESS NEED TO APPLY FOR A SALES TAX LICENSE?

Yes, an internet business still needs to apply for a sales tax license even though you may have very little or no sales in Broomfield. Software is subject to sales tax and includes software that is downloaded and has a physical existence on a computer and modifications to such downloaded software.

18) IF I HAVE A ONE-TIME SALE IN BROOMFIELD, DO I NEED TO APPLY FOR A SALES TAX LICENSE AND REMIT SALES TAX?

No, you do not need to apply for sales tax license, but you must collect City & County of Broomfield sales tax. Please mail your sales tax remittance along with a letter stating your one-time sales status, the time period, gross sales, and sales tax amount due to our mailing address.

19) IF I AM A SPECIAL EVENT VENDOR, DO I NEED A BROOMFIELD SALES TAX LICENSE AND HOW DO I REMIT SALES TAX COLLECTED TO THE CITY & COUNTY OF BROOMFIELD?

A Special Event Sales Tax License is no longer necessary and a special event vendor is no longer required to obtain a City & County of Broomfield Sales Tax License. You are required collect the sales tax due for the location of the special event and remit it with a completed Special Event Sales Tax Return. This return and the Special Event Sales Tax Procedure can be found at our web address: www.broomfield.org/salestax.

Organizers of special events are required to obtain a City & County of Broomfield sales tax license. See the Special Event Organizer Procedure found at our web address: www.broomfield.org/salestax.

20) IF I AM AN OUT-OF-CITY BUSINESS, DO I HAVE TO COLLECT CITY & COUNTY OF BROOMFIELD SALES TAX?

If your business has nexus or physical presence in Broomfield, you must collect and remit City & County of Broomfield sales tax. Doing business in Broomfield or nexus is defined by the Broomfield Municipal Code, Section 3-04-070, (K) 1-3 as the following:

Doing business in the City & County of Broomfield means the selling, leasing, renting, or any activity in the connection with the selling, leasing, renting, or delivering in the city of tangible personal property by a retail sale as defined in this section, for use, storage, distribution, or consumption with this city. This term includes, but shall not be limited to, the following acts or methods of transacting business:

- (1) Maintaining within the city, directly or indirectly or by a subsidiary, of an office, distributing house, salesroom or house, warehouse, mobile vendor, or other place of business;
- (2) Having within the city, employees, agents, or commissioned sales persons solicit business, deliver and install or assemble, or repair, service or assist in the use of its products, or for demonstration or other reasons; or
- (3) Owning, leasing, renting, or otherwise exercising control over real or personal property within the taxing jurisdiction.

If you still have questions about nexus or physical presence, please contact us at 303-464-5811.