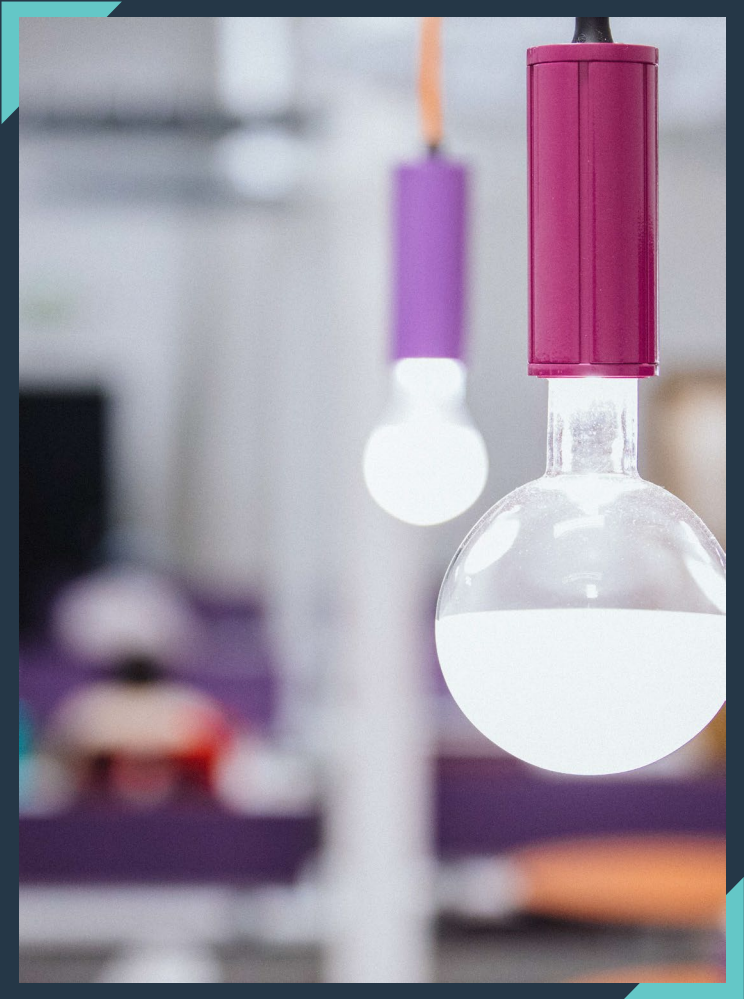


# INTRODUCTION TO SALES & USE TAX

July 16, 2025



# Agenda

## **Welcome & Intro – Economic Development**

Shelby Wood, CEcD | Small Business Navigator

## **Presentation – Finance**

Scott Jacobs | Sales Tax Auditor

# Business and Sales Tax License

Required for all businesses *engaged in business* within Westminster.

- *Engaged in business in the City* shall mean performing or providing services or selling, leasing, renting, delivering or installing tangible personal property for storage, use or consumption within the City. (See W.M.C 4-2-2 Definitions)

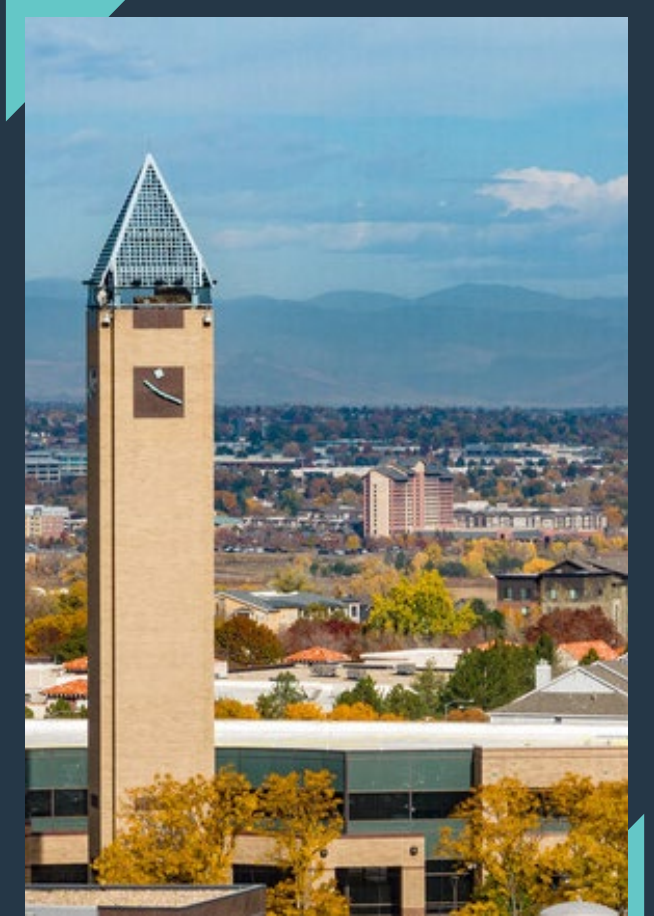
All businesses with a license must file at least annually.

- This includes service-only businesses within the City.
- Filing frequency delineations:
  - Monthly filers: \$500+ tax remitted annually
  - Quarterly filers: Between \$150 - \$500
  - Annual filers: Less than \$150



# Types of Tax for Westminster

- **Sales – 3.85% City Tax**
- **Use – 3.85% City Tax**
- **Accommodations – 7% City Tax**
- **Admissions – 3% City Tax**



# Types of Tax for Westminster

## ➤ Sales – 3.85% City Tax:

*Tangible personal property* shall mean personal property that can be one or more of the following: seen, weighed, measured, felt, touched, stored, transported, exchanged, or that is in any other manner perceptible to the senses. (See W.M.C 4-2-2 Definitions) **Am I charging proper sales tax on items I sell?**

## ➤ Use – 3.85% City Tax:

*Use tax* shall mean the tax paid or required to be paid by a consumer for using, storing, distributing or otherwise consuming tangible personal property or taxable services inside the City. (See W.M.C 4-2-2 Definitions) **Was I charged proper sales tax on the items for my business? If not, pay use tax.**

# Total Tax Rate by County

Category	Adams County	Jefferson County
City of Westminster	3.85%	3.85%
State of Colorado*	2.90%	2.90%
Regional Transportation District (RTD)*	1%	1%
Cultural District (CD)*	0.10%	0.10%
County (Adams or Jefferson)*	0.75%	0.50%
<b>Total</b>	<b>8.60%</b>	<b>8.35%</b>

# Types of Tax for Westminster (Con't)

## ➤ **Accommodations and Short-Term Rentals– 7% City Tax:**

Purchase price paid by any person or charged by any vendor on the lease, rental or other transaction of furnishing rooms or accommodations to any person who, for a consideration, uses, possesses, or has the right to use or possess, any room or rooms or other accommodations. (See W.M.C 4-4-2)



# Types of Tax for Westminster (Con't)

➤ **Admissions – 3% City Tax** - Any charge for the right or privilege of admission to:

- A performance of a motion picture open to the public; or
- An establishment open to the public that is licensed to sell, dispense or serve fermented malt beverages (three and two-tenths percent beer) or alcoholic beverages (liquor) pursuant to state law; or
- Any public display of live animals and/or plants, including insects or fish.
- Bowling alleys. (See W.M.C 4-2-2 Definitions)



# Remitting Westminster's Tax

Westminster sales and use tax is filed directly through our portal (GenTax):

[https://etaxwestminster.gentaxcpc.net/tap/\\_/](https://etaxwestminster.gentaxcpc.net/tap/_/)

Or

Filed through the State SUTS portal:

<https://suts.blm.govos.com/login>

- Never remit Westminster tax through Revenue Online (ROL) – the City will not get the return or money, and you will have to apply for a refund from the State.

# Initial Use Tax Return

- Only filed once – due by the 20<sup>th</sup> of your second month in business.
- Looks back 6 months for items purchased for the business.
- Purpose: To collect use tax when sales tax was not paid.
- This return should be visible when you login to your account. This cannot be filed through SUTS.

# Assessments

If you forget to file:

- You will receive an estimated assessment.
  - Please login and file your actual return, which will replace the assessment. The City prefers to have what you actually owe. Otherwise, the assessment become due.

# Tips

**CHECK YOUR INVOICES** - Make sure you have paid use tax if you were not charged enough sales tax. Otherwise, you will pay interest on amounts owed if we audit your business.

**SAVE YOUR INVOICES**- The City can audit a business back three years from a filing –

**FILE ON TIME** - Interest accrues at 1% per month on tax due. Penalty is 10% of the tax owed- minimum of \$15. Returns are due by the 20<sup>th</sup> of the following month (unless the 20th falls on a weekend or public holiday).

# Tips

If you bundle items sold with a service, the whole amount is taxable. Services must be itemized separately to be exempt from the sales tax.

➤ For example: Labor on car repair bundled with car parts –

Labor should be itemized separately from the parts, so that the customer only pays tax on the parts. Labor should be tax-free.

# Webinar Contact Information

## Community Services

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# Questions

## Open Discussion

Recording of this webinar and a copy of the presentation will be posted in the Economic Development Training Library @

[www.westminstereconomicdevelopment.org/business-training/#CityTraining](http://www.westminstereconomicdevelopment.org/business-training/#CityTraining)