

The serious stuff..

What happens if you're late or neglect to file at all? We will send you a Failure to File notice as a first reminder and ask that you file and pay within 20 days of that notice. During this time, you will accrue a penalty of 10% of the tax due, and 1% interest per month. This can add up! Still neglecting to file and pay? You may receive a summons to municipal court, and worst-case scenario have your license revoked. **Always file and pay your taxes on time!**

In case of an audit, always maintain books and records for a period of 3 years that are necessary to determine the amount of sales or use tax liability. These records must be available upon request. The burden of proof of exempt sales and purchase rests with you. All information provided by you to the City of Fort Collins will be kept confidential.

If you sell or discontinue your business, you must file a final return stating the date you sold or closed, and pay all tax collected 20 days after the closing date.

Have more questions?

Email us at salestax@fcgov.com or check out our website fcgov.com/salestax



Sales and Use Tax

Getting Started

Thank you for taking the initial steps in complying with the City's Sales and Use Tax Ordinance! Enclosed you will find your Sales and Use Tax License.

What's next? Here is a brief guide to get you started.

A few things to know...

- Your Sales Tax License acts as a business license in the City of Fort Collins.
- The City of Fort Collins is a Home Rule City. This means we have our own tax code, and collect our own sales and use tax (and lodging tax, if applicable). The rates for the City, State, and County are:

Current Tax Rates (updated January 1, 2019)	
City of Fort Collins	3.85%
Larimer County	0.80%
State of Colorado	2.9%
Total Sales Tax	7.55%
Fort Collins Lodging Tax (in addition to above)	3.0%
Total Accommodations Tax	10.55%
Fort Collins Tax on Food for Home Consumption	2.25%
Total Food Tax	2.25%

- It's your responsibility to collect sales tax from your customers and remit the tax to the City of Fort Collins. We recommend you contact the State of Colorado (taxcolorado.com) and Larimer County (larimer.org/finance) for their licensing and tax requirements.
- You may owe use tax. Not sure what use tax is? You're not alone. Use tax is a complement to sales tax. All taxpayers must pay sales or use tax on purchases of tangible personal property or taxable services that are not purchased

for resale. Use tax is due if a legally imposed municipal sales tax was not paid at the time of purchase

- A few examples of items subject to use tax are:
 - Purchases made online
 - Magazine subscriptions
 - Downloaded non-customized software programs
 - Furniture and fixtures
 - Brochures and handouts
 - Advertising items
 - Uniforms
 - Manufacturing equipment

There are 3 filing frequency options:

- 1. Monthly:** Average Monthly Tax Liability is \$300 or more
- 2. Quarterly:** Average Monthly Tax Liability is \$25 - \$300
- 3. Annual:** Average Monthly Tax Liability is \$25 or less

Tax returns are always due on the 20th of the month following the reporting period. For example, your first quarter (January–March) return is due on April 20th. A return is always required on the due date, even if you're reporting zero tax.

We recommend filing online. It's quick, it automatically calculates the tax, it's easy and free! (when paying via e-check) Here's how:

- Create an online profile at fcgov.com/sales tax
- E-file and pay your tax return with an e-check with **NO FEE**, a credit card with a 2.75% service fee on tax amount. Please note there is no fee if filing a zero return.