



## City of Boulder Sales/Use Tax Division

### Prepaid Tax Estimate for Contractors Working on Construction Projects Not Requiring a City Permit

To all Contractors working within the City of Boulder:

Under Boulder's Revised Code, the contractor is deemed to be the consumer of materials used in the construction project. Contractors may not avoid payment of the City of Boulder sales or use tax by placing provisions in a construction agreement or by using the name of a tax-exempt entity on an invoice or purchase order, regardless that the contractor is indicated thereon as the agent of a tax-exempt entity. **No exemption certificate issued by the Colorado Department of Revenue or any other taxing authority shall be recognized as a basis for exemption from sales or use taxes.**

Estimated use tax must be remitted to the City of Boulder prior to the start of the project. The tax is computed on the full contract price of the project. Follow these steps to compute and remit the sales/use tax to the City:

1. Multiply the full contract price by 0.5 and then multiply this result by the tax rate of 3.86% (0.0386). This is the tax that is due to the City prior to the start of the project.
2. Remit the tax to the attention of Amy Hildebrandt, Sales Tax Department, P.O. Box 791, Boulder, CO 80306 along with a copy of this completed form.
3. **At the completion of the project the construction company is required to file Form 15 using one of the two options listed below for closing out the project with the city.**
  - Use the formula in (1.) above to compute the final tax due based on the final contract price (including all change orders). Remit the additional tax due or file a request for refund with the City; or
  - Use the actual materials cost. Please provide documentation supporting the actual materials cost on construction project.

Contact **Rob Guinn** at **303-413-7246** or [GuinnR@bouldercolorado.gov](mailto:GuinnR@bouldercolorado.gov) to inform the City of which option you have chosen.

<b>Contractor Name</b>		<b>Address</b>
<b>Phone</b>	<b>Email</b>	<b>Contact Person</b>
<b>Project Name</b>		<b>Project Address</b>
<b>Full Project Contract Price</b>		<b>(A)</b>
<b>Multiply (A) by 0.50 (This is the material cost estimate)</b>		<b>(B)</b>
<b>Multiply (B) by 0.0386 This is the City of Boulder estimated tax due</b>		<b>(C)</b>

Contractor Signature: \_\_\_\_\_

Date Submitted: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**This section for city use only**

The Boulder Sales and Use Tax Division hereby certifies that the contractor named above has prepaid the City of Boulder estimated Sales and Uses Taxes due under this contract. If you have any questions regarding sales/use tax or this process, contact Rob Guinn at the above phone number or address.

Signature: \_\_\_\_\_

Date Received: \_\_\_\_\_

Print Name: \_\_\_\_\_

City Authority: \_\_\_\_\_