



COLORADO
Department of Revenue
Denver, CO 80261-0004



Sep 26, 2018

TOWN OF KEENESBURG

Account: 01402096
Letter: L0393726880
Source: N05 - C3

Notice of Significant Changes Coming to Colorado Sales Tax

Effective December 1, 2018, the Colorado Department of Revenue will adopt new sales tax rules that will change how retailers in Colorado collect sales tax. These new rules will have a substantial effect on how businesses collect sales tax. ***Please continue reading this notice to evaluate the impact the new rules will have on your business.***

Beginning December 1, 2018, when taxable goods are delivered to a Colorado address outside the retailer's tax jurisdiction, sales tax must be collected and remitted to the Department based on the point of delivery for the taxable good, including any applicable state-administered local and special district taxes. Thus, if a retailer delivers taxable goods to a purchaser's address, which is outside the jurisdiction of the retailer, sales tax must be collected based on the purchaser's address rather than the taxes that are in common between the purchaser's address and the seller's location. Sales where the purchaser receives the product at the retailer's place of business will continue to be taxed at the rate in effect for the retailer's business location.

What Businesses Should Do Next

1. Read regulation 39-26-102(9), which is available by going to Colorado.gov/tax and following these steps:
 - Select the Sales Tax Changes title
 - Click the "Adopted Emergency Rules" Link
2. Consult your tax advisor
3. Visit Colorado.gov/tax for the latest on sales tax
4. Ensure your point of sale system or sales tax software is up to date and can collect tax in accordance with the new regulation

These changes were first discussed in a public stakeholder meeting in December 2017, and public comments were accepted from August 23 to September 7, 2018.

Respectfully,

Colorado Department of Revenue