



CITY OF NORTHGLENN SALES/USE TAX RETURN GENERAL INSTRUCTIONS

- The return must be filed, even when **NO** tax is due
- If sales tax does not generally apply to your business, make sure to read the instructions on filing use tax. **Use tax** is applicable to **all** businesses and organizations in the City of Northglenn and is commonly underreported. See the Sales and Use Tax Information brochure on our website for easy-to-read use tax information. You may also contact us to have this brochure sent to you via email, fax, or mail.
- Remit the completed and signed return in the envelope provided
- Make check payable to: **City of Northglenn**
- You may use our website at **www.northglenn.org** to obtain tax forms, tax form instructions, our indexed tax code, and other tax information. Click on the **City Finance** link.
- Returns must be submitted on or before the twentieth of the month following the close of the tax period. If the 20th falls on a holiday or a weekend, the due date is the next business day. Mailed returns must be postmarked by the 20th day of the month.
- Please mail the return to:

Sales Tax Division
City of Northglenn
P.O. Box 5305
Denver, CO 80217-5305

Phone: (303) 450-8729
Fax: (303) 450-8708
Email: salestax@northglenn.org

- **Changes or Closures**
If one or more of the following occurs: 1) business moves, 2) mailing address changes, 3) business or trade name changes, 4) business is sold, 5) corporation merges with another corporation, or 6) business is no longer in business, you must notify the Sales Tax Division of such changes by noting the change and explaining the details on the bottom of the sales tax return or via e-mail to salestax@northglenn.org.
All the above changes must be in writing. If the business ownership changes, the new owner cannot use the old owner's license or return forms. The new owner must apply for a new business account number and personalized forms.
- **Records**
Records of both purchases and sales, including sales invoices, purchase orders, and applicable summary records, must be retained for a period of at least three years. The burden of proof for exempt sales rests with the seller. Retain copies of all sales tax reports. Records must be open for inspection by authorized representatives of the Finance Director. All sums of money paid by the purchaser to the seller as taxes shall remain public money, as property of the taxing jurisdiction. Taxes owed should be remitted on a timely basis. If the City does not receive submitted taxes, burden of proof is upon the taxpayer. Always maintain sufficient records to prove taxes have been sent.
- **Amended Returns**
If an error is discovered on a return, an amended return with the applicable changes and explanations may be sent to replace the prior return. Note "**Amended**" on the top of the amended return and include a copy of the original return.

LINE 1 GROSS SALES AND SERVICE: Report all receipts for the period covered. Include all retail and wholesale sales, services rendered, rent receipts, and all amounts both taxable and non-taxable that are received in the conduct of your business.

LINE 2 BAD DEBTS COLLECTED: Report the bad debts collected which were previously deducted on line 4D - "Bad Debts Charged Off".

LINE 3 TOTAL LINES 1 AND 2: Add Lines 1 and 2.

DEDUCTIONS: The following items are exempt from taxation:

4A Deduct all services performed which are nontaxable.

4B Deduct sales made to other city **LICENSED** retailers who purchase such merchandise for the purpose of resale to the consumer.

4C Deduct all sales delivered to the purchaser outside of the City Limits of Northglenn if **BOTH** the following conditions exist: a) the sale is to a purchaser who is a nonresident of Northglenn **and** b) delivery is made by common carrier, conveyance by the seller, or by mail to the purchaser **OUTSIDE** the City of Northglenn.

4D Deduct all sales which were originally taxable sales and which you deemed "uncollectible/bad" and have written off as such.

4E Deduct the value of property traded-in, which will be **resold** in the normal course of business.

4F Deduct all sales of gasoline and cigarettes. Do not include tobacco products other than cigarettes.

4G Deduct all sales to organizations which **PROVIDE** an exemption certificate and if the purchases are made and used in conjunction with their exempt status only. Purchases made by cash and personal checks or personal credit/debit cards are **not** considered exempt sales for any purpose. Funds must be drawn directly from the exempt organization's bank account.

4H Deduct all returns for refund, which were taxed.

4I Deduct all sales of prescribed medical supplies, prescription drugs, and prosthetic devices.

4J-4L Deduct all other exemptions not covered on Lines 4A through 4I. Other deductions **must** be explained in the space provided.

LINE 4 TOTAL DEDUCTIONS: Total all deductions claimed in Lines 4A through 4L.

LINE 5 TOTAL CITY NET TAXABLE SALES AND SERVICES: Subtract TOTAL DEDUCTIONS on Line 4 from Line 3.

LINE 6 NORTHGLENN CITY SALES TAX: Report the amount of sales tax calculated other than food for home consumption. The sales tax is calculated by multiplying Line 5 - "Net Taxable Sales" by the **4.0%** effective sales tax rate.

LINE 7 FOOD FOR HOME CONSUMPTION SALES TAX: Report the amount of sales tax calculated on food for home consumption. The sales tax is calculated by multiplying the total sales of food for home consumption by the **3.5%** effective sales tax rate.

- LINE 8 ADMISSIONS SALES TAX:** Report the amount of Admissions Subject to Tax. The Admissions Tax is calculated by multiplying the Amount of Admissions collected by the Effective Admissions Tax Rate of **3.0%**.
- LINE 9 HOTEL/MOTEL ACCOMODATIONS SALES TAX:** Report the amount of Accommodations (Hotel/Motel stay of less than 30 consecutive days) Subject to Tax. The Accommodations Tax is calculated by multiplying the Amount of Accommodation Rentals by **5.0%**.
- LINE 10 BOWLING REVENUE SALES TAX:** Report the amount of Bowling Games Revenue subject to Sales Tax. Multiply the Bowling Revenue by **4.0%**.
- LINE 11 EXCESS TAX COLLECTED:** Report the amount of tax collected in excess of Line 5.
- LINE 12 ADJUSTED CITY TAX:** Add Lines 6, 7, 8, 9, 10, and 11.
- LINE 13 VENDOR'S FEE DEDUCTION:** Multiply Line 12 by 1.0% only if the TAX IS PAID ON OR BEFORE THE DUE DATE. **If the return is late, enter a zero.**
- LINE 14 TOTAL SALES TAX DUE:** Subtract Line 13 from Line 12.
- LINE 15 CITY USE TAX:** Use tax is assessed on items that are purchased for the business's own use and for which **no Northglenn City sales tax has been paid** and no tax exemption exists. Calculate use tax by multiplying the total taxable purchase price on the items purchased by the 4.0% effective use tax rate. Attach a schedule of items purchased.
- LINE 16 TOTAL TAX DUE:** Add Line 14 and Line 15.
- LINE 17 LATE FILING PENALTY:** Report the penalty assessed for filing after the due date. The penalty is 15% of Line 16 for all late returns. If the return is paid on or before the due date, enter a zero.
- LINE 18 LATE FILING INTEREST:** Report the interest assessed for filing after the due date. The Interest is 0.9167% **Per Month** of Line 16 for all late returns (11% per year). If the return is paid on or before the due date, enter a zero.
- LINE 19 TOTAL TAX, PENALTY AND INTEREST DUE:** Add lines 16, 17, and 18.
- LINE 20 ADJUSTMENT FROM PRIOR PERIODS:** Report underpayment adjustments to returns previously filed or amended in Line 20A. Report overpayment adjustments to returns previously filed or amended on Line 20B. Note: All amounts reported as prior period adjustments must be supported by written documentation.
- LINE 21 ADJUSTMENT (CONT.):** Report any additional underpayment or overpayment adjustments to returns previously filed.
- LINE 22 TOTAL DUE AND PAYABLE:** Add lines 19, 20A, 20B, 21 (if applicable). Make check or money order payable to **City of Northglenn**.
- LINE 23 CHANGE OF ADDRESS:** Enter any change of ownership, telephone or address change, please note if address change affects mailing address or business location or both.
- LINE 24 BUSINESS CLOSED DATE:** If business is no longer operating, list date closed.
- SPECIAL MESSAGE FROM VENDOR:** Enter comments, questions, suggestions, greetings, etc.
- CERTIFY STATEMENT:** Return must be signed by individual preparing report; list individual's company name, title and phone number.