

Sales and Use Tax (Caterers/Catering)

Are caterers exempt from paying state sales tax on their purchases?

Caterers in Colorado would be exempt from paying sales tax on food and other items they purchase so long as the food and other tangible personal property is being resold by the catering business. The food and other items bought at resale by the caterer cannot be used for any other purpose than a catering event. Caterers must sales tax on items not resold such as pans, food trays, heating or steam food tables, etc.

If the caterer purchases items for resale, then that business must apply for a Colorado state sales tax license in order to purchase at wholesale any food or items for a catered event.

The tax for the food and any other items provided by the caterer is then paid by the customer.