FYI Sales 88
Refund for Vehicles Used in Interstate Commerce

Most heavy vehicles qualify for a full refund of the state tax as a LEV vehicle. See FYI Sales 91 for more information.

COMMERCIAL VEHICLE REFUND
Effective July 1, 2011 a refund of state sales/use tax may be available for commercial vehicles used in interstate commerce. The refund availability is dependent on allocated funds collected from certain fines. The refund is calculated based on the specific ownership tax on the vehicle and issued over 3 years. Annual funds are limited by §42-1-255, C.R.S.

WHO QUALIFIES?
Individuals or businesses that purchase or lease (for more than 36 months) a new model year 2010 or newer truck tractor or semi-trailer with a gross vehicle weight rating of fifty-four thousand pounds (54,000 GVW) or greater, on or after July 1, 2011, and use this vehicle in interstate commerce.

REQUIRED DOCUMENTATION
Submit the Sales Tax Refund for Vehicles Used in Interstate Commerce (DR 0202) along with proof of payment of Colorado state sales and/or use taxes paid by the taxpayer associated with the purchase. Refund applications without the required documentation can not be processed.

Required documentation for purchase

- Copy of the cab card for the vehicle for which a refund is being requested,
- Copy of the vehicle registration,
- Copy of the Colorado title (if available),
- Copy of the purchase agreement or lien holder's agreement,
- For purchases made within Colorado, the Standard Sales Tax Receipt (DR 0024) showing sales tax collected,
- For purchases made outside of Colorado, the Colorado registration/ownership tax receipt showing sales tax collected.

A refund application is required to be submitted for each **purchased** vehicle. Multiple vehicles submitted on a single application will be rejected.

Required documentation for leases of more than 36 months
(NOTE: leases of 36 months or less do not qualify.)

- Copy of the cab card for the vehicle for which a refund is being requested,
- Copy of the vehicle registration,
- Copy of the Colorado title (if available),
- Proof of state tax paid. This would include a copy of the lease agreement and copies of documents showing the monthly lease payments made.
- Copy of the Lease Act Disclosure document.

A refund application for leased vehicles must be filed at the end of each of the three calendar years in order to claim the sales/use tax paid on the lease payments for that particular year.

Refund applications are processed on a first-come, first-serve basis. Only completed applications with the required documentation will be eligible for consideration. Please submit **copies** of supporting documentation, because the documents sent will **not** be returned.

Refund applications must be received by June 30th for prior year to be considered due to the allocation of the funding for each fiscal year.

Refunds will be issued until allocated funds expire for each of the first three calendar years after the purchase/lease of the vehicle. Only a portion of the 2.9% state sales/use tax is refundable, no other taxes are to be included in the request. If the refund is being requested on a leased vehicle, include only the state sales taxes paid during the calendar year with the refund application.

Correspondence regarding any refund request should be sent to:

Colorado Department of Revenue
Business Tax Accounting Section
1375 Sherman Street
Room 208
Denver, CO 80261-0004

FYIs provide general information concerning a variety of Colorado tax topics in simple and straightforward language. Although the FYIs represent a good faith effort to provide accurate and complete tax information, the information is not binding on the Colorado Department of Revenue, nor does it replace, alter, or supersede Colorado law and regulations. The Executive Director, who by statute is the only person having the authority to bind the department, has not formally reviewed and/or approved these FYIs.