

COLORADO DEPARTMENT OF REVENUE STATEMENT OF BASIS AND PURPOSE

Extensions of Sales and Use Tax Returns

39-26-105.1(b)

1 CCR 201-4

Basis

The statutory basis for this rule is §39-21-112(1) and §39-26-105(1)(b), C.R.S.

Purpose

The purpose of this amended rule is to more clearly state the grounds upon which an extension of time will be allowed. Among other things, tax practitioners state that when a business is sold the price of the tangible personal property may not be established until sometime in the future when an inventory is performed and a price is set for the goods. Tax practitioners asked for an option that automatically grants an extension in such cases. This amendment proposes such an exception.