

WITHHOLDING TAX FILING PERIODS AND DUE DATES.

REGULATION 39-22-604.4.

- (1) With respect to Colorado income tax attributable to payments made after December 31, 1993, an employer is either a quarterly filer, a monthly filer, or a weekly filer based on an annual determination; ~~or~~, in exceptional cases, a seasonal filer. An employer must file withholding tax returns and ~~or~~ remit taxes withheld under one of four rules: the quarterly ~~rule in paragraph (b)(2) of this section~~, the monthly ~~rule in paragraph (b)(3) of this section~~, the weekly ~~rule in paragraph (b)(4) of this section~~, or ~~the~~ seasonal rule in paragraph ~~(b)(5)(3)~~ of this ~~regulation section~~.
- (2) **Determination of Status.** The determination of whether an employer is a quarterly, a monthly, or a weekly filer for a calendar year is based on an annual determination made by the Executive Director, and depends upon the aggregate amount of Colorado withholding tax reported by the employer for the lookback period as defined in paragraph ~~(b)(6)(2)(e)~~ of this ~~regulation section~~.
 - (a) *Quarterly filer.* An employer is a quarterly filer for the entire calendar year if the aggregate amount of Colorado withholding tax reported for the lookback period is less than \$7,000.
 - (b) *Monthly filer.* An employer is a monthly filer for the entire calendar year if the aggregate amount of Colorado withholding tax reported for the lookback period is at least \$7,000 but not more than \$50,000. The Executive Director, upon application therefore, may approve the reclassification of monthly filers to a quarterly filing status if necessary to meet the “no more stringent than corresponding federal requirements” provision of C.R.S. § 39-22-604(4).
 - (c) *Weekly filer.* An employer is a weekly filer for the entire calendar year if the aggregate amount of Colorado withholding tax reported for the lookback period is more than \$50,000.
 - (d) *Seasonal filer.* An employer is a seasonal filer for the entire calendar year if the business is not operating for the entire calendar year and if there is no Colorado withholding made during that part of the year during which the business is not operating.
 - (e) *Lookback period.* The lookback period for each calendar year is the twelve-month period ending the preceding June 30. The aggregate amount of Colorado withholding tax liability as originally filed for the lookback period will determine the status as a quarterly, monthly, or weekly filer. New employers shall be treated as having zero tax liability for any part of the lookback period during which they did not exist as an employer.
- (3) **Due Dates.**
 - (a) *Quarterly rule.* An employer that is a quarterly filer must file a Colorado withholding tax return and pay the Colorado tax withheld for the calendar quarter on or before the last day of the month following the close of the calendar quarter. A return must be filed for each quarter even if no taxes have been withheld.
 - (b) *Monthly rule.* An employer that is a monthly filer must file a Colorado withholding tax return and pay the Colorado tax withheld for the month on or before the fifteenth day of the following month. A return must be filed for each month even if no taxes have been withheld.

- (c) *Weekly rule.* An employer that is a weekly filer must remit any Colorado withholding taxes accumulated as of any Friday on or before the third business day following such Friday.
 - (d) *Seasonal rule.* In order to file on a seasonal basis, the employer must obtain approval from the Department of Revenue and supply the scheduled months in which there is withholding. An employer that is a seasonal filer must file a Colorado withholding tax return and pay the Colorado tax withheld on or before the fifteenth day of the month following each month of operation. Returns must be filed for scheduled months of operation even if no taxes have been withheld.
 - (e) Filing and payments are required only on Colorado Department of Revenue business days. If the due date falls on any day that is not a business day, the taxes will be treated as timely paid if paid on the first business day thereafter.
 - (f) *Change of status.* When an employer's Colorado withholding tax filing status is required to be changed as a result of a new lookback period, any resulting change in filing status shall become effective on January 1 of the following year.
- (4) Required withholding from winnings, which shall include gaming and racing, shall be filed with a return and remitted on a monthly basis on or before the fifteenth of the following month.
- (5) **Electronic Funds Transfer.** Any employer who has an annual estimated withheld tax liability of more than fifty thousand dollars must remit withheld tax by electronic funds transfer (EFT). The annual estimated withheld tax will be based on the tax liability for the most recent twelve month period ending June 30. The electronic funds transfer shall be made using standard banking conventions as outlined in the application and agreement for electronic funds transfer between the taxpayer and the Department.
- (a) *Undue Hardship.* The Department may grant in cases of undue hardship a yearly waiver from the requirement to remit all withholding tax liability by EFT. The Department will, upon written request from the taxpayer, grant such request only if it determines, and the employer adequately proves, to the satisfaction of the executive director that good cause exists to allow a waiver for hardship. Taxpayers can submit such written request to the Department each year upon receiving notice of the requirement to make EFT by sending a written request to:
 - Colorado Department of Revenue
Denver, CO 80261-0009
 - (i) *Undue hardship means excessive or extraordinary hardship. Undue hardship will be determined on a case-by-case basis, and any determination of undue hardship will be fact-specific, and will be limited to the information provided by the taxpayer. Undue hardship cannot be established by general and conclusory statements or on a general distrust of information technology such as the Internet, electronic communications, or the security of information provided by means of electronic transfer. Undue hardship may be demonstrated by the documented general unavailability of the technology and communications systems necessary for electronic filing and electronic payment. Undue hardship may also be demonstrated on the basis of the substantial financial cost to the taxpayer relative to the amount of the tax owed by the taxpayer for the current tax year.*

The publication DRP-5782 describing the EFT Program and Form DR-5785, "Authorization For Electronic Funds Transfer (EFT) For Tax Payments" may be examined at an Colorado State Publications Depository Library (see <http://www.cde.state.co.us/stateinfo/sldepsit.htm> for a listing of locations). Copies of the publication DRP-5782 describing the EFT program or Form DR-5785,

“Authorization For Electronic Funds Transfer (EFT) For Tax Payments” may be obtained from the Department Forms Room, on the first floor at 1375 Sherman Street, Denver, Colorado 80203 and via the Department Web site at:

<https://www.colorado.gov/pacific/tax/forms-number-order>

~~<http://www.revenue.state.co.us/wagewithforms.html>~~

Scroll down the Web page to the listing of forms by form number, these forms appear near the bottom of the list.