

Sales/Use Tax Refund for Broadband Equipment Instructions for DR 0137C (Do not use for income tax refund)

****Attention****

- Failure to complete the required form(s) and submit all supporting documentation, may cause the amount of the refund to be reduced or denied.
- For Sellers/Retailers, Consumer Use, Local Marketing, County Lodging and Withholding use Form DR 0137. For Buyer's/Purchaser's claims, use Form DR 0137B.

GENERAL INFORMATION AND RURAL BROADBAND PURPOSE:

Do not combine sales and use tax refunds on the same claim; file a separate claim for each tax account type. If you are submitting this claim for a third party, you must include a Power of Attorney (DR 0145). Keep all documentation supporting refund claims at the location of your business records. For assistance in determining the breakdown of the tax rate on your invoice, see publication DR 1002.

BROADBAND EQUIPMENT REFUND

A broadband provider is allowed to claim a refund for equipment used in providing broadband service in a target area. The refund only applies to state sales tax or state use tax.

Claims must be received no earlier than January 1st and no later than April 1st for the immediately preceding calendar year. The total amount of refunds is limited to one million dollars for each calendar year. In the event that the total refunds claims exceed one million dollars, the refunds will be prorated to all broadband providers that submitted a valid claim.

The Department of Revenue will not review claims until after April 1st of each year.

Broadband Provider means a person that provides broadband service.

Broadband Service means any communications service having the capacity to transmit data to enable a subscriber to the service to originate and receive high-quality voice, data, graphics, and video at speeds of at least four megabits per second for download and one megabit per second for upload or the Federal Communications Commission's definition of broadband service, whichever is faster.

Target Area means the unincorporated part of a county or municipality with a population of less than thirty thousand (30,000) people, according to the most recently available population statistic of the United States Bureau of the Census.

REQUIRED DOCUMENTATION:

Invoices or purchase orders

If your claim contains under 100 invoices, submit copies of all invoices for review.

If your claim contains 100 or more invoices, submit at least 25% for review which should include the following:

- The majority should be the larger dollar amounts requested.
- Invoices for each vendor submitted in the claim.
- Select invoices from each filing period requested in the claim.
- Invoices from the vendor the items were purchased from should be submitted. Do not submit internal invoices. If your claim contains internal invoices, provide the purchase order.
- Bundled using paper clips or binder clips. Do not staple documents together.

Please note: The department may request additional invoices if it is deemed necessary.

Proof of Payment

- Sales Tax receipt from vendor. This should list the purchases, the sales tax charged, and record of the payment.
- For purchases made using invoices or purchase orders provide a copy of canceled check (front and back) or if paid electronically the bank statement or EFT transaction details and confirmation.

Spreadsheets

Spreadsheets must be submitted in readable form (at least 10 point font or larger). Each vendor's data must be totaled separately.

Note: To reduce errors and for faster processing, electronic spreadsheets are preferred (CD or USB).

The invoices that are included with the spreadsheet should be numbered and match the spreadsheet. A spreadsheet showing how the refund amount was calculated should be included with the following columns per invoice:

- Store or vendor's name;
- FEIN or Colorado Account number (CAN) of the vendor;
- Date of purchase;
- Invoice number;
- Sales price of item before tax;
- State sales/use tax paid, county sales/use tax paid, city sales/use tax paid, special district sales/use tax paid, etc. (separate column for each tax);
- Total of each tax refund requested by tax type;
- Indication of whether a copy of this invoice is enclosed;
- A brief description of the item or service purchases;

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- Explanation of how the item or service is used;
- How the item or service qualifies for the exemption claimed.

Note: A general reference to the statute or reference to the exemption type in lieu of the description of the purchase and how it's used is not sufficient.

Other Support Required for this Refund Type

- Documentation showing the exact location in which the equipment is being deployed, which may include copy(s) of the permit(s), approved by a local government.
- Supporting documentation from the Census Bureau indicating that the equipment is being deployed in a target area.
- Copies of contracts between parties applicable to the broadband service.
- A detailed description of each item and an explanation of how each item is used to provide broadband service.
- Provide documentation showing that the performance specifications of the broadband service provided

meets the minimum requirements as set forth in the Broadband Service definition above.

- Supporting documentation from the Census Bureau that the unincorporated part of the county or municipality has a population under 30,000.
- Provide an electronic spreadsheet for claims with more than 30 invoices.

INTEREST

Interest is due on sales and use tax refunds when the following conditions are met:

- The payment was made incident to a bona fide and orderly discharge of an actual liability, and
- The refund is not issued within 90 days from the due date of the return, and
- The refund claim was made in a timely manner after discovery of the overpayment.

Resources for Interest

- Statute §39-21-110 and 39-21-110.5
- Regulation 39-21-110 and 39-21-110.5

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Refund to be made payable to, and mailed to:			
Taxpayer's Last Name	First Name	Middle Initial	SSN
Taxpayer (DBA)			FEIN
Mailing Address		City	State Zip
Store or Vendor Name	Type of Tax	Calendar Year of Claim (mm/yy-mm/yy)	
Original Amount Paid	Correct Amount	Refund Requested	
Reason (Explain below <i>and</i> on a separate sheet of paper if needed). All supporting documentation must be attached.			
I declare under penalty of perjury in the second degree that this claim including all attachments is to the best of my knowledge true and correct. I further understand that the claim and documentation may be subject to the same verification process used by the Department of Revenue in auditing other taxes for three years from the date of payment of the claim. § [13-80-101(1)(m) C.R.S.]			
Taxpayer Signature (this line must be signed by an individual, officer, partner, or owner of the firm claiming the refund)			Phone Number ()
Print Name of Signor Above		Title	Date
Signature of Preparer (if other than taxpayer)			Date
Name of Firm (If you are a representative preparing this claim on behalf of a third party, include a copy of the DR 0145 Power of Attorney).			Phone Number ()
For Departmental Use Only. Do not write in this section.			

Sales/Use Tax Refund for Broadband Equipment Spreadsheet

(See Additional information in the Instructions)

Store Name (Only one vendor per sheet)										
Store's Address							City		State	ZIP
Store Number							Calendar Year of Claim			
Vendor's Sales Tax Number					FEIN		Type of Tax			
Date of Purchase	Invoice Number	Amount of Sale Pretax	State Sales/Use Tax	County Sales/Use Tax*	City Sales/Use Tax*	Special District Sales/Use Tax*	Description of item or service	Explanation how item or service is used	How item or service qualifies for the exemption claimed.	
Total Tax		\$	\$	\$	\$	\$				

* A refund is only allowed on State. These columns are used to ensure a correct calculation was done and state tax was charged.