



## **NEWS RELEASE**

### ***For Immediate Release***

Contact: Lynn Granger  
Phone Number: 303.866.5303  
Contact: Mim Mirsky  
Phone Number: 303.866.5832

## **Taxpayers May Owe Consumer Use Tax for Cyber Monday Purchases**

**DENVER-Monday, Nov. 27, 2017** - Taxpayers owe consumer use tax when they store, use or consume a taxable item in Colorado for which the retailer did not charge tax at the time of sale. This most commonly occurs when a Colorado resident makes a purchase from an out-of-state seller either over the internet or through catalog sales. The Colorado Department of Revenue (CDOR) wants to take this opportunity to remind taxpayers that they may owe consumer use tax on internet purchases made on Cyber Monday.

### **How do I know if I need to pay consumer use tax?**

At the time of purchase, non-collecting retailers must provide a Transactional Notice to Colorado customers, informing them that the retailer has not paid Colorado state taxes on the item(s) being purchased and the customer may have a tax obligation to the state. CDOR recommends customers check if sales tax is being charged when shopping online. Customers should keep a record of the purchase amount for all purchases made in 2017 for which **no sales tax was paid**.

### **How do I calculate consumer use tax?**

Colorado use tax is calculated at 2.9%. The Department administers use tax for certain special districts, but does not administer use tax for any city or county. Taxpayers can use the DR 1002 publication available at [Colorado.gov/Tax](http://Colorado.gov/Tax) to help them determine what use tax rate to apply. The DR 1002 publication lists the use tax rates for all Colorado cities, counties and special districts.

### **How do I file and pay consumer use tax?**

Use taxes on all purchases made in a calendar year for which sales tax was not paid are due the following April by the income tax deadline. Taxpayers should report and pay use tax for those purchases when filing their Colorado income taxes in April. They can also report and pay use tax by directly filing a Consumer Use Tax Return electronically in Revenue Online or by paper using the Consumer Use Tax Return (DR 0252) available on our website at [Colorado.gov/Tax](http://Colorado.gov/Tax). Taxpayers can file for free and without a login at Revenue Online.

Visit [Colorado.gov/Tax/UseTax](http://Colorado.gov/Tax/UseTax) for more information about consumer use tax.

###

*The Colorado Department of Revenue's Taxation Division is committed to protecting personal taxpayer information and providing quality customer service to assist in voluntary compliance with state tax laws. It is the Taxation Division's objective to effectively, efficiently and elegantly communicate tax law and taxpayer responsibilities to the public, tax professionals, local governments and other stakeholders. The Department partners with the IRS, other state revenue departments and tax professionals to combat refund fraud.*