



## Schedule A

- 1. Wholesale Sales (including wholesale sales of ingredients & component parts):** A wholesale sale is a sale by a wholesaler or jobber to a retail merchant, jobber, dealer, or other wholesaler for the purpose of resale. *Colorado Sales Tax Guide – Part 1: Retail Sales*
- 2. Sales made to nonresidents or sourced outside of Colorado:** In general, a retail sale is made at the location to which it is sourced in accordance with the rules outlined in the *Colorado Sales Tax Guide – Part 1: Retail Sales*
- 3. Sales of nontaxable services (service sales):** This line is used to record service sales that are not taxed. *Colorado Sales Tax Guide – Part 1: Retail Sales*
- 4. Sales to exempt entities & organizations (governmental agencies, religious or charitable organizations):** Sales to a government agency or a 501c3 organization that provided appropriate documentation and payment. *FYI Sales 63 and Sales Tax Topics: Charitable Organizations.*
- 5. Sales of gasoline, dyed diesel, and other exempt fuels:** This line only applies to vendors in the gasoline industry. *FYI Sales 57.*
- 6. Sales of exempt drugs & medical devices (drugs by prescription and prosthetic devices):** This line only applies to medical service providers. *Sales Tax Topics: Medical Exemptions.*
- 7. Fair market value of property received in exchange and held for resale (trade-ins for taxable resale):** Item that is used to offset or decrease the purchase price of another taxable product. Example: vehicle trade-ins. See sections 39-26-102(7) and 39-26-104(1)(b), C.R.S., for applicable qualifying conditions.
- 8. Bad debts charged-off, returned goods, trade discounts and allowances where tax was paid (cash discounts are not allowed):** Sales of tangible products where sales tax was paid in a previous period and the product was returned in the current period. See § 39-26-102(5), C.R.S. for applicable qualifying conditions.
- 9. Cost of exempt utilities upon which tax was previously paid (restaurants must complete and attach Form DR 1465):** Generally, electricity sold for industrial use is exempt from state sales tax. *Sales Tax Topics: Dining Establishments.*
- 10. Exempt agricultural sales, not including farm & dairy equipment:** Agricultural compounds that are consumed by, administered to, or otherwise used in caring for livestock, and pesticides that are for agricultural uses are exempt from state sales tax. See sections 39-26-102(19) and 39-26-716, C.R.S for applicable qualifying conditions. *FYI Sales 64 and 76.*
- 11. Sales of computer software that is not taxable:** The taxability of computer software depends on a number of factors. *Sales Tax Topics: Computer Software.*



## **Schedule B (See DR 1002: Colorado Sales/Use Tax Rates)**

**A - Food for Home Consumption:** Sales of food for home consumption are exempt from state tax. *FYI Sales 4 and 59.*

**B – Machinery and machine tools (as defined on form DR 1191):** Sales of machinery are exempt from state tax when the machinery will be used in manufacturing. *DR 1191.*

**C – Gas, electricity, etc. for residential use:** Sales of electricity, gas, coal, fuel oil and other energy sources for residential use are exempt from state tax. *FYI Sales 66.*

**D – Sales by certain charitable organizations:** For occasional sales by charitable organizations. *FYI Sales 2.*

**E - Farm Equipment:** Sales of certain qualifying farm, dairy and ranch equipment are exempt from state tax. *FYI Sales 75.*

**F - Pesticides:** Under certain circumstances pesticides are exempt from state tax. *FYI Sales 76.*

**G - Food sold through vending machines:** *FYI Sales 59.*

**H – Exempts medium and heavy-duty vehicles (sales of low-emitting heavy vehicles, etc.):** Sales of motor vehicles that meet certain weight and emission standards are exempt from state tax. *FYI Sales 91.*

**I - Exempts Telephone & Telegraph service:** *Applicable to LID districts only, see DR 1002*

**J - Exempts Gas & Electricity for residential & commercial use:** *Applicable to LID districts only, see DR 1002*

**K - Renewable energy components:** Sales of components used in the production of electricity from a renewable energy source are exempt from state tax. *FYI Sales 83.*

**L - Beetle Wood Products:** Products made of wood salvaged from Colorado trees that have been infested by mountain pine beetles are exempt from state tax. *FYI Sales 84.*

**M - School related sales:** Sales made by schools, or school organizations, are exempt from sales tax if all proceeds of the sale are for the benefit of a school or school-approved student organization. *FYI Sales 86.*

**N - Biogas Production System Components:** *FYI Sales 83.*

**O – Property used in space flight:** Sales, storage, and use of qualified property for use in space flight is exempt from state tax. *House Bill 14-1178.*

**P - Machinery or machine tools equipment used for processing recovered materials per business list on Public Health & Environment:** Sales of machinery or machine tools equipment used for processing recovered materials per business list on Public Health & Environment.

**Q – Sales on retail marijuana and retail marijuana products:** Sales on retail marijuana and retail marijuana products are exempt from the 2.9% state tax. *FYI Sales 93.*

**R – Manufactured Homes:** *Sales Tax Topics: Pre-fabricated Housing.*