



Sales 58

Sales Tax Remittance for Multiple Site Businesses

WHAT IS A MULTIPLE SITE FILER?

A multiple site filer is any business entity selling, renting or leasing tangible personal property within multiple jurisdictions throughout Colorado with the requirement to remit sales or use tax to the Department of Revenue.

WHAT ARE THE LICENSING REQUIREMENTS OF MULTIPLE SITE FILERS?

A sales tax license will be required for each physical site. A Sales Tax/Withholding Account Application (CR 0100) and license fee (for sales tax) is required for every physical site registration. The amount of the license fee will vary depending on when during the two-year period you apply (*see application for details*). The completed application and fee should be mailed to: Colorado Department of Revenue Denver, CO 80261-0013. You will receive your license and site number(s) by mail. Allow four to six weeks for processing. If you have an existing Colorado Account Number (CAN) with the Colorado Department of Revenue, please include this number on the application.

WHEN ARE YOU REQUIRED TO REGISTER A NON-PHYSICAL SITE?

A non-physical site is required when a business makes sales into a local taxing jurisdiction, but the business does not have a physical presence within that jurisdiction. A non-physical site is required when a business chooses to collect local jurisdictional taxes when there is not a physical location within that jurisdiction. A non-physical site is required when a business engages in delivery and installation and/or solicitation by representatives who carry inventory for sale/rental/lease (mobile vendors). Apply for a non-physical site by emailing the department at dor_multilocations@state.co.us Provide the following in the email: Colorado Account Number, city name, county name, location/ jurisdiction code obtained from the DR 0800, a zip code, and the period open date. Sites are always opened at the beginning of the period.

HOW DO I KNOW HOW MANY SITES I HAVE ACTIVE ON MY ACCOUNT?

Visit www.Colorado.gov/RevenueOnline to view "Business Location Rates". Enter your 8-digit Colorado Account Number to see a list of all active sites on your sales/use tax account.

HOW DO I CLOSE A SITE?

To close a site in a jurisdiction where a business will no longer sell, rent, or lease, send an email requesting a site closure to dor_multilocations@state.co.us and include the final date business was transacted within that jurisdiction. Complete and mail the Address Change or Business Closure Form (DR 1102) to the Colorado Department of Revenue, Denver, CO 80261-0013.

WHAT ARE THE APPROVED FILING METHODS?

Businesses with 1 to 10 Sites

- **Revenue Online** - The Colorado Department of Revenue's Online Filing Web site for all of your sales/use tax filing needs. Sign up for access at www.Colorado.gov/RevenueOnline.
- **Paper** - A complete and legible Colorado Sales Tax Return (DR 0100), must be submitted for every active site on the account. Any incomplete or illegible return could result in a bill due to system generated calculation corrections.

Businesses with 11 or More Sites

- **Revenue Online/Excel Spreadsheet** - Microsoft Excel spreadsheet filing through Revenue Online. Your sales tax data in this format must be tested and approved by the department for accuracy prior to approval for submission.
- **Revenue Online/XML** - Extensible Markup Language or XML is an electronic filing format. The filing is sent through Revenue Online in the XML format. Your sales tax data in this format must be tested and approved by the department for accuracy prior to approval for submission. If you are using a department approved software preparer or department approved software to prepare your own returns, your XML file does not need to be tested and approved.

HOW DO I AMEND A FILING?

- **Revenue Online** - Once logged into your Revenue Online account, select Amend a Return. Select File a Sales Return to amend an individual site or Upload Spreadsheet or XML File to amend only those sites where an amendment is required. XML amended filings must include the amended indicator in the header of your XML file (contact your software provider if you are unable to locate the indicator). For Excel spreadsheet filers, you will add a capital X in column O, Row 3 in the header to indicate an amendment.
- **Paper** - Mark the amended box on every DR 0100 in the amendment. Make sure every DR 0100 has a site number. Only include in the amendment the sites that are required. Be sure to use the correct tax rates History of Local Sales/Use Taxes (DR 1250).

If you have submitted an amended return and you anticipate a credit resulting in a refund, please notify the department by completing and submitting a Claim for Refund (DR 0137). Documentation must be included as to why the tax was miscalculated and the reason for the refund request.

WHAT ARE THE MOST COMMON FILING ERRORS?

Reporting Gross Sales Incorrectly

Begin completing your sales tax return with Line 1 Gross Sales and Services for each site and only include the sales for that site on Line 1. Do not include the gross sales from all the sites combined on every return. Filing in this manner can result in recalculations by the department resulting in billing.

Reporting Deductions and Exemptions Incorrectly

Complete the Deductions and Exemptions Schedule prior to beginning your sales tax return. If utilizing "Line 9 Other" to report deductions or exemptions, ensure that you are offering an explanation in the space provided. Those items reported without an explanation may be denied, and result in a billing. Refer to publication DR 1002 for a list of valid exemptions by jurisdiction. Be sure to verify the jurisdiction allows the exemption or deduction, as they may vary from those allowed by the state.

Negative Figures Reported on Sales/Use Tax Returns

Refrain from using a negative figure when completing your sales/use tax return. Negative numbers are not valid figures on the sales tax return. All negative numbers will be corrected within the tax accounting system and may result in a billing.

Line 10 Should Not Be Used to File Consumer Use Tax

Line 10 of the sales tax return is used for tax on goods removed from inventory for personal or business use. Line 10 should not be used to file consumer use tax. Instead, businesses should report consumer use tax on the Consumer Use Tax Return (DR 0252) and the RTA Consumer Use Tax Return (DR 0251) for the RTA.

MY BUSINESS HAS MULTIPLE BRICK AND MORTAR SITES/LOCATIONS IN COLORADO. HOW SHOULD I REPORT SALES TAX?

You will report sales tax, collecting all the local taxes for each location. These are all separate, physical locations and you will report only the sales for one location as a separate filing in Revenue Online for each location or a paper form, for each location, not an aggregate of all sales. With multiple sites, the preferred method of filing is XML or Excel Spreadsheet on Revenue Online.

MY BUSINESS HAS A SINGLE BRICK AND MORTAR LOCATION IN COLORADO AND ENGAGES IN ONLINE SALES WITH MAIL DELIVERY, HOW SHOULD I REPORT SALES TAX?

Sales made from your location will be reported on your single location as sales tax. You will collect all the local taxes, which can be filed on Revenue Online. The online sales that are delivered into the county of the physical location will be reported as sales tax, ensuring you are collecting the applicable local taxes. All online sales that are delivered outside the county where you have physical presence will be reported as retailer's use tax. You will collect state tax on all sales and RTD/CD, Pikes Peak, Roaring Fork and South Platte Valley RTA, if applicable. Retailer's use tax filing is also available on Revenue Online.

MY BUSINESS HAS MULTIPLE BRICK AND MORTAR LOCATIONS IN COLORADO AND ENGAGES IN ONLINE SALES WITH MAIL DELIVERY. HOW SHOULD I REPORT SALES TAX?

Sales made from your locations will be reported as sales tax and you will collect all the local taxes for the location. File through Revenue Online through XML or Excel Spreadsheet. The online sales that are delivered into the counties of the physical locations will be reported as sales tax. You will collect the applicable local taxes. All online sales that are delivered outside the counties where you have physical presence will be reported as retailers use tax and you should collect state tax on all sales and RTD/CD, Pikes Peak, Roaring Fork and South Platte Valley RTAs, if applicable. Retailer's use tax filing is also available on Revenue Online.

MY BUSINESS HAS A SINGLE BRICK AND MORTAR LOCATION IN COLORADO AND DOES INSTALLATIONS OR MAINTENANCE. HOW SHOULD I REPORT SALES TAX?

Apply for a non-physical site for each jurisdiction in which you have an installation and/or perform maintenance. You will collect all the taxes for the jurisdiction and will have no "sales out of taxing area" since you would only file on the site if you had a sale there. With multiple sites, the preferred method of filing is XML or Excel Spreadsheet on Revenue Online.

MY BUSINESS DOES NOT HAVE A BRICK AND MORTAR LOCATION IN COLORADO BUT HAS SALES REPRESENTATIVES THAT CARRY INVENTORY FOR SALE, HOW SHOULD I REPORT SALES TAX?

Sales tax filing will be required there is a representational presence. In lieu of having an office, the jurisdictions where the representatives reside will be your locations (these will be non-physical sites). You will collect the local taxes when the sale is in a county where you have a presence. When you deliver outside the counties where you have a presence you will utilize "sales out of taxing area" for the taxes that do not apply. If the inventory is actually carried by the representative, you will apply for non-physical sites for each county/city jurisdiction in which you make sales. Collect all the taxes for the jurisdiction. You will have no "sales out of taxing area". With multiple sites, the preferred method of filing is XML or Excel Spreadsheet on Revenue Online.

FYIs provide general information concerning a variety of Colorado tax topics in simple and straightforward language. Although the FYIs represent a good faith effort to provide accurate and complete tax information, the information is not binding on the Colorado Department of Revenue, nor does it replace, alter, or supersede Colorado law and regulations. The Executive Director, who by statute is the only person having the authority to bind the Department, has not formally reviewed and/or approved these FYIs.