

**For email:**

Subject Line: CML Survey on Business and Sales Tax Licenses and Fees

To get a full picture of the business and sales tax licensing requirements along with the range of fee structures required for retailers in the State of Colorado, the Colorado Municipal League and Colorado Legislative Counsel Staff are respectfully asking for a few moments of your time to share how your municipality deals with business and sales tax licenses.

**Background**

The purpose of this survey is to provide information for Colorado's Sales and Use Tax Simplification Task Force, created pursuant to House Bill 17-1216. The task force is charged with studying the necessary components of a simplified sales and use tax system for both the state and local governments.

After the 2018 U.S. Supreme Court decision in *South Dakota v. Wayfair*, states were allowed to collect tax from an out-of-state retailer on purchases by an in-state consumer, even if the retailer does not maintain a physical presence in the taxing state. The move by state and local governments following *Wayfair* to require out-of-area retailers to collect sales taxes may be leading to complexity around licensing. The potential impact of licensing on retailers and has come to the attention of the legislature.

If you have any questions regarding this survey or the task force, please contact Meghan Dollar, CML legislative advocacy manager, at [mdollar@cml.org](mailto:mdollar@cml.org) or Laurel Witt, CML associate counsel, at [lwitt@cml.org](mailto:lwitt@cml.org).

Thank you for your time and participation.

**Survey:**

[INTRO] Throughout this survey we will be asking you about licensing requirements for retailers that may sell items into your jurisdiction, but **have no physical presence** in your jurisdiction.

Q1. Does your municipality require retailers with **no physical presence** to have a business or sales tax license in addition to the state sales tax license?

- a. Yes, a sales tax license is required for these businesses
- b. Yes, a general business license is required for these businesses
- c. Yes, both a sales tax license and a general business license are required for these businesses
- d. No, these businesses are not currently required to obtain either a sales tax license or general business license, but our municipality is looking at adding such a requirement in the future [SKIP TO Q7]
- e. No, these businesses are not currently required to obtain either a sales tax license or general business license, and our municipality is not looking at adding such a requirement in the future [SKIP TO Q7]
- f. Other – these businesses are required to obtain a different type of license (please explain)

Q2. Please enter the amount of an initial business or sales tax license fee for a retailer. Please include all fees related to a new license including for applications and the license. If there is a tiered fee structure, please enter the amount for the smallest category of retailers and provide a comment outlining the fees.

Q3. Does the municipality require sales tax and/or business licenses to be renewed?

- a. Yes
- b. No

Q3B. If yes, how often do licenses have to be renewed?

Q3C. If yes, does the municipality have a fee for renewal?

Q4. Please enter a sales threshold, below which a retailer is exempt or would not be required to have a sales tax or business license. If there is no minimum or exemption, please enter \$0.

Q5. Does the municipality allow retailers to apply for and renew any required sales tax or business licenses online?

- a. Yes
- b. No

Q6. How many business or sales and use tax licenses were issued by the municipality in the last fiscal year?

Q6B. If known, how many of these licenses were provided to out-of-area retailers?

Q7. Please enter your name and municipality.

Q8. Please provide any additional comments or information you think would be helpful for the task force to consider.