

## Tax Compliance Guide

*Delivering exceptional value and quality of life*

### Deliveries Outside the City Topic 306

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(08/2007)

The *Westminster Municipal Code* imposes a sales tax on tangible personal and certain taxable services sold at retail within the City. Items delivered outside of the City are exempt from Westminster City sales tax provided all of the following conditions are met:

1. The sales are to individuals who reside or businesses which are located outside the City;
2. The items purchased are delivered to the purchaser outside the City by common carrier, or by the conveyance of the seller, or by mail; and,
3. The items delivered are used outside the City.

When making deliveries into other home rule cities, retailers should contact those cities directly to determine whether or not to collect their city's sales tax. For a complete listing of home rule cities, vendors should refer to Colorado Department of Revenue form DRP 1002, which is available on their website [www.taxcolorado.com](http://www.taxcolorado.com). This form is updated semi-annually.

In determining whether or not a specific address is inside or outside the City, retailers are encouraged to use the electronic location databases certified by the Colorado Department of Revenue pursuant to *Colorado Revised Statutes* § 39-26-105.3. Retailers are cautioned that mailing addresses and zip codes do not coincide with City boundaries and are not a reliable source for determining taxability. Further, because the post offices servicing much of the City are located in neighboring cities, a purchaser's mailing address may be misleading. For example, of the ten zip codes in which Westminster resides, only two actually use a Westminster mailing addresses. Customers with Arvada, Broomfield, or Denver mailing addresses may actually reside in Westminster. Note that the retailer is responsible for collecting the appropriate tax.

### Examples

1. Customer A buys a new sofa from Dealer B, a licensed Westminster retailer, and has it delivered by Westminster Furniture to his home in Thornton. Because delivery occurred outside the City, Westminster City sales tax is not due.
2. Customer A also buys a wall clock from Dealer B which he decides to take home from the store. Because the item is not being delivered to Sam Customer A outside of the City, Westminster City sales tax is due on the purchase price of the clock.
3. Company C purchases furniture from a licensed Westminster retailer. Company C hires a third-party freight company to deliver the furniture. Because title passes to

Company C when the freight company receives the shipment in Westminster, Westminster sales tax is due.

### Related Topics

Internet Sales/Purchases  
Electronic Location Databases  
Freight, Delivery, & Transportation

### Citations

*Westminster Municipal Code*  
§ 4-1-5. Retailer Responsible for Collection and Payment of Tax  
§ 4-2-6. Exemptions from Sales Tax.

THIS GUIDANCE IS A SUMMARY IN LAYMEN'S TERMS OF THE RELEVANT WESTMINSTER TAX LAW FOR THIS TOPIC, INDUSTRY, OR BUSINESS SEGMENT. IT IS PROVIDED FOR THE CONVENIENCE OF TAXPAYERS AND IS NOT BINDING UPON THE CITY. IT IS NOT INTENDED FOR LEGAL PURPOSES TO BE SUBSTITUTED FOR THE FULL TEXT OF THE WESTMINSTER MUNICIPAL CODE AND APPLICABLE RULES AND REGULATIONS. THIS GUIDE DOES NOT CONSTITUTE A CITY TAX POLICY.

### Contact Us

For additional assistance, please contact us:

City of Westminster  
Sales Tax Division  
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Westminster, CO 80031

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**Website:** <http://www.westminsterco.gov>

From the Business menu, choose Westminster Taxes