



WESTMINSTER

Initial Use Tax Return

City of Westminster
Department of Finance
Sales Tax Division

DUE DATE: _____ **ACCT:** _____

Taxpayer Name & Address:


TAXABLE AMOUNT

1. **OFFICE FURNITURE, SUPPLIES AND EQUIPMENT:**
Computers, copiers, fax machines, printers, telephones,
and other business machines, office furniture, and office supplies. \$ _____
2. **RETAIL FURNITURE, EQUIPMENT, AND FIXTURES:**
Cash registers, counters, display racks and units, shelving,
booths, tables, chairs and other restaurant furnishings. \$ _____
3. **FOOD SERVICE PROCESSING EQUIPMENT AND SUPPLIES**
Coolers, freezers, ovens, fryers, mixers, knives, and other kitchen
equipment and supplies, dinnerware, linens, and catering equipment. \$ _____
4. **MANUFACTURING, WAREHOUSE, AND SHOP EQUIPMENT**
Shop equipment and supplies, tools, compressors, conveyors,
packaging equipment, bailers, forklifts, and manufacturing equipment. \$ _____
5. **MEDICAL TOOLS, EQUIPMENT, AND SUPPLIES**
Medical beds, dental chairs, medical supplies and tools, disposable
supplies, sterilization equipment, and laboratory equipment. \$ _____
6. **SIGNS AND OTHER OUTDOOR DISPLAYS** \$ _____
7. **CLEANING SUPPLIES AND JANITORIAL EQUIPMENT** \$ _____
8. **OTHER ITEMS:** _____ \$ _____
9. **TOTAL TAXABLE AMOUNT (Total lines 1 through 8)** \$ _____
10. **GROSS USE TAX DUE (Line 9 x 3.85%)** \$ _____
11. **CREDIT FOR TAX PAID TO WESTMINSTER OR OTHER MUNICIPALITY** \$ _____
12. **NET USE TAX DUE (Subtract line 11 from line 10)** \$ _____
13. **PENALTY (10% of line 12 \$15.00 minimum)** \$ _____
14. **INTEREST (1% of line 12 per month)** \$ _____
15. **TOTAL AMOUNT DUE (Total lines 12 through 14)** \$ _____
Make check payable to City of Westminster

LATE FILING CHARGES

**Taxpayer
Signature**

Under penalties of perjury, I declare that I have examined this Initial Use Tax Return and it is true and correct to the best of my knowledge and belief.

 _____

Signature _____ Date _____

Printed Name _____ Title _____ Phone Number _____

Instructions for Initial Use Tax Return

General Instructions

Use Tax In General

The *Westminster Municipal Code* imposes a use tax upon the privilege of using, storing, distributing, or otherwise consuming tangible personal property and certain taxable services in the City. If Westminster sales tax is not paid to a vendor licensed and authorized to collect the same at the time of purchase, then a use tax must be remitted directly to the City.

Credit may be taken against Westminster use tax for legally imposed sales or use taxes paid to other municipalities. Such credit may not exceed the Westminster use tax due.

For additional information regarding use tax, refer to *Tax Compliance Guide* topic 313.

Purpose of Form

The Initial Use Tax Return is required to be filed by any person who purchases or establishes a business in the City. Subsequent use tax liabilities will be reported on Schedule B/Line 10 of the periodic City sales and use tax returns.

Purchase of Existing Business. Tangible personal property, except inventory held for lease, rental, or resale, which is acquired with the purchase or takeover of an existing business in the City, is subject to use tax. This tax is reported on the Initial Use Tax Return.

Use tax is due from the new owner even though the previous owner may have paid a sufficient sales or use tax on the purchase of the same property.



Purchasers of an existing business are encouraged to obtain a *Certificate of Taxes Due* from the City certifying that the seller is current with their tax obligations.

New Businesses. New businesses must report use tax due on tangible personal property, except inventory held for lease, rental, or resale, acquired prior to the start of business in the City. This tax is reported on the Initial Use Tax Return.

Due Date

The reporting period for Initial Use Tax returns includes all transactions up to and including the day prior to the first day of business. Returns are due the 20th of the month following this date. Returns filed by mail must be **postmarked** by the due date.

Reminders

Ongoing filings required. Use tax will be due on start up property only one time; however, use tax liabilities may arise from future purchases of non-inventory tangible personal property and certain taxable services. Even service businesses that do not make taxable sales will likely have ongoing future use tax liabilities. Future use tax liabilities are reported on line 10 of periodic City sales and use tax returns.

Do not attach enclosures. Mail the completed and signed return in the envelope provided. Do not staple the check or other attachments to the return.

Signature required. The person completing the return on behalf of the taxpayer must sign and date the form at the bottom. A printed name is also required. If the taxpayer is not a natural person, the title of the officer or agent completing the form on behalf of the taxpayer must also be printed on the form. Forms without a signature may be returned and may not be considered timely filed.

Specific Instructions

Lines 1-8 – Taxable Purchases. List the purchase price subject to use tax classifying total purchases as closely as possible with the categories listed on lines 1-7. Purchases not resembling one of the categories listed may be listed on line 8, provided that a description of the purchase is listed in the space provided or on a supplemental schedule submitted with the return.

Line 9 – Total Taxable Amount. Total the amounts listed on lines 1 through 8 and enter the result on this line 9.

Line 10 – Gross Use Tax Due. Multiply the amount computed on line 9 by the applicable use tax rate listed on this line 10 and enter the product on this line 10.

Line 11 – Credit for Tax Paid. Enter the amount of legally imposed sales or use taxes previously paid to Westminster or another municipality.



Only sales or use tax which is legally imposed and previously paid to Westminster or another municipality may be credited against use tax due. Sales or use taxes paid by the previous owner may not be setoff against the current owner's liability. Check also to ensure that credit is not being taken for state sales tax or other state collected taxes such as RTD, cultural district, football district, or county sales taxes. For additional information on previously paid sales or use tax, refer to *Tax Compliance Guide* topic 353.

Line 12 – Net Use Tax Due. If the amount on line 11 exceeds the total on line 10, enter a zero on this line 12. Otherwise, subtract the amount listed on line 11 from the total listed on line 10 and enter the difference on this line 12.

Lines 13-14 – Late Filing Charges. If the tax will be reported or paid after the due date, compute and add penalty and interest as follows:

- 13) Penalty – Multiply the amount on line 10 by 10% and enter the greater of this amount or \$15 on this line 13.
- 14) Interest - Interest accrues only in whole-month increments from the due date. Multiply the amount listed on line 10 by 1% and multiply this result by the number of months from the due date to the anticipated postmark date rounding up to the next whole month.

Line 15 – Total Amount Due. Add lines 12 through 14 and enter the total on this line 15. **This is the total due.** Make check payable for this amount to the City of Westminster.

Signature – After reviewing the form for accuracy, sign and date the form. Print your name and title below your signature.