

CITY OF GRAND JUNCTION-CUSTOMER SERVICE DIV. (Sales Tax)
250 North 5th Street, Grand Junction, CO 81501
(970) 244-1521

CITY STAFF DATE DUE: _____

INITIAL USE TAX RETURN (PLEASE READ INSTRUCTIONS ON REVERSE SIDE)
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NAME OF BUSINESS: _____
ADDRESS: _____

BUSINESS START/SALE
DATE: _____
CITY SALES TAX LICENSE
NUMBER: _____

Examples of taxable tangible personal property include, but are not limited to the items listed below. Categorize and enter the taxable amount in the space provided. (ONLY PROPERTY YOU HAVE OWNED LESS THAN 3YRS) TAXABLE AMOUNT

- 1. Business machines, calculators, adding machines, forms, typewriters, copiers, computers, etc. \$ _____
- 2. Cash registers, counters, tables, booths, tables, chairs, clothing and shoe racks, etc. \$ _____
- 3. Food processing equipment, appliances, walk-in coolers, supplies, etc. \$ _____
- 4. Shop equipment and tools, compressors, hydraulic and electronic equipment, supplies, etc. \$ _____
- 5. Medical tools and equipment \$ _____
- 6. Signs, outdoor displays, etc. \$ _____
- 7. Cleaning equipment, tools, etc. \$ _____
- 8. Other items \$ _____
- 9. Total taxable amount (add lines 1 through 8) \$ _____
- 10. Tax due (multiply line 9 by 2.75%) \$ _____
- 11. Penalty 10% of line 10 or minimum \$15 \$ _____
- 12. Interest 1.5% per month of line 10 \$ _____
- 13. Total due (add lines 10 through 12) \$ _____

Mail this return with check payable to: City of Grand Junction-Customer Service Division, 250 North 5th St., Grand Junction, CO 81501

I declare under penalties of perjury that the information contained on this form is true and correct to the best of my knowledge.

Name: _____ Title: _____

Signed: _____ Date: _____

INITIAL USE TAX RETURN - INSTRUCTIONS

Use tax is due on tangible personal property, except inventory held for resale, rental, or resale, that is used, stored, or consumed in the City on which no municipal sales tax was paid or on which a municipal tax paid was at a rate less than 2.75%. THIS TAX APPLIES ONLY TO PROPERTY THAT YOU HAVE OWNED LESS THAN 3 YEARS !!

To avoid penalty and interest charges, this return must be properly signed and filed by the due date. Due date for an existing business which has been sold is the 20th of the month following the date of closing. Due date for a new business is 20th of the month following the opening day of business. Do not file Initial Use Tax on your regular return.

The following guidelines will aid in determining the amount of use tax due:

1. Use tax is due on the purchase price of tangible personal property acquired for use by a business in the rendering of a service. (i.e., medical equipment and supplies, dry cleaning equipment, professional books and literature)
2. Use tax is due on tangible personal property acquired with the purchase of an existing or ongoing business, based on the allocated acquisition cost as stated in the purchase agreement but not less than the current fair market value. If the purchase agreement does not itemize the tangible personal property with an allocated or appraised cost then use tax is due on the book value established for depreciation purposed for Federal income taxes.
3. No use tax is due on any tangible personal property on which a municipal sales tax of at least 2.75% was legally due and paid. If a municipal tax was paid at a rate less than 2.75% , the City of Grand Junction use tax due will be reduced by the amount of municipal tax paid.
4. Use tax is due on each lease payment of any tangible personal property being leased. If sales tax is not being collected by the lessor, use tax must be periodically reported on the regular sales and use tax return.
5. If you determine that no tax liability exists, indicate that no tax is due by entering zero on the return, sign it, and send the form to the City.
6. If any use tax is due, send check or money order made payable to the City of Grand Junction accompanied with completed return.
7. After filing the initial use tax return, subsequent purchases of tangible personal property are to be itemizing on Schedule B with the total carried forward to line 10 of the sales and use tax return which will be sent on a periodic basis.

Questions regarding sales or use tax may be addressed to the City Sales Tax Division, at (303) 244-1521 or at the address above.