



## Construction Materials and Supplies Use Tax Reporting and Payment

Code Reference – 4.04.320

Any person who builds, constructs or improves any building, dwelling or other structure or improvement to realty whatsoever and who purchases the necessary construction materials needed therefor from any source outside the city shall keep and preserve all invoices and statements showing such purchases, and shall, on or before the tenth day of each succeeding month following the start of such construction, file a return with the director of finance to which that person shall attach such statements and invoices for the lumber, fixtures, materials and other supplies purchased the previous month, and shall thereupon pay to the director of finance the full amount of the use tax due thereon for the preceding month or months.

Any failure to preserve such statements and invoices and to make such return and payment of this tax shall be a violation of this chapter, and any person so offending shall be subject to the penalties and punishment provided in this chapter.

It shall be the duty of the building inspectors and the contractors and subcontractors who are hired to construct any such improvements to furnish the director of finance such information as the director may require as to any purchases of construction materials for such improvements which were obtained from sources outside the city

The full amount of any use tax due and not paid for construction materials purchased from such outside sources, together with penalties and interest thereon as herein provided, shall be and constitute a lien upon the real property benefited by such improvement, and the director of finance is authorized to file a notice of such lien with the county clerk and recorder of Boulder County or Weld County.

### **Following are the steps for reconciling this permit option on materials purchased:**

- A listing of all materials purchased for the month must be entered into the provided spreadsheet broken out by category.
- Invoice and/or receipt copies must be provided for both contractor and subcontractors for all materials listed on the spreadsheet.
- Sales tax paid for the materials purchased must be highlighted on all invoice or receipt copies.
- You must provide a payment calculation sheet for materials purchased highlighting the purchases where no sales tax was paid.
- You must send in payment for any use tax owed the City and/or county if applicable.

In the alternative, any person may, at the time a building permit is issued, pay to the city a sum equal to a tax in the amount stated in [Section 4.04.130](#) of this chapter on 50 percent of the value of construction for which permit is issued, as determined by the building inspection department

If you have questions, please contact:

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