



Finance Department 300 West 4th Street Craig, CO 81625 Phone (970)826-2003 Fax (970)826-2035

Date: March 21, 2018
To: City of Craig Business Owner
RE: City Sales Tax Increase and Self-Collecting

As many of you are aware, the voters of the City of Craig passed a ballot measure in November of 2017 modifying the city sales tax rate and establishing new exceptions to the city sales tax. Along with the passing of this ballot measure, the City of Craig will be required to begin self-collecting local city sales tax.

What does this mean for Craig Business Owners?

- Starting July 1, 2018, the city sales tax rate will increase from 2.25% to 4% on tangible personal property and services with the following exclusions
 - Hotel accommodations or short-term overnight rentals are subject to the existing rate of 2.25%
 - Sales of vehicles and off-highway vehicles as defined by the Colorado Revised Statutes are exempt from current and future city sales tax
- All businesses will need to register for a Sales Tax license with the City of Craig between June 1-30, 2018
- Annually, businesses will be required to renew their sales tax license through the online city tax reporting portal
- Filing frequencies will remain under the same tiers as current schedule with Colorado Department of Revenue
- All businesses will be able to file city tax returns and remit payments online using MUNIREvs software

Business Owners Required Action Dates:

June 1, 2018 through June 30, 2018- Businesses register on MUNIREvs website for Craig City Sales Tax reporting purposes.

July 1, 2018- All businesses start collecting City Sales Tax at the new rate of 4%. Make sure to update your point of sale software systems and cash registers.

Training for business owners on new city tax return format- dates/times to be announced in future correspondence.

August 20, 2018- First City Sales Tax Return is due to City of Craig for the reporting period July 1-July 31, 2018.

Note: Businesses will still be required to submit County and State Sales tax to Colorado Department of Revenue. If City of Craig sales tax is remitted to Colorado Department of Revenue for filing periods after July 1, 2018, Colorado Department of Revenue will return payments to the businesses which may result in late filing fees/penalties being incurred with the City of Craig.

Recent/Upcoming Targets:

March 13, 2018- 1st reading of revised Sales Tax Ordinance for the City of Craig

March 27, 2018- 2nd reading/adoption of revised Sales Tax Ordinance for the City of Craig

April 2018- Fees for Sales Tax/Licenses to be adopted

April-May 2018- Tax return forms developed along with processes and procedures by City of Craig Finance/Sales Tax Department

April-June 2018- City of Craig will be installing tax reporting software (MUNIREvs)

June-July 2018- Training will be offered for business owners on the new tax reporting process

In an effort to make this transition as efficient as possible, we will continue to update current business owners throughout the implementation process on a minimum monthly basis.

Please direct questions/concerns to:

Katy Burns

Senior Sales Tax Accountant

kburns@ci.craig.co.us

970-826-2003

Thank you for your prompt attention to this matter.

Sincerely,



Katy Burns

Senior Sales Tax Accountant