



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

Date: May 18, 2018

To: City of Craig Business

RE: Monthly Sales Tax Letter Update #3

**Overview of Tax Changes:**

- Starting July 1, 2018, the City sales tax rate will increase from 2.25% to 4% on the sale of tangible personal property and services with some exclusions as defined in previous letters.
- 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.
- Annual filers will report the entire year of 2018 county and state taxes to the State of Colorado and the entire year of City taxes for 2018 to the City of Craig.

**Business Owners Required Action Dates:**

- June 1, 2018 through June 30, 2018- Businesses register on MUNIREvs software for City licensing/online tax reporting access. Link can be found on the City of Craig website on the Sales Tax page. Letters will be mailed out to businesses the week of May 21 with account numbers, access codes, and directions on this process.
- 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.
- August 20, 2018- First City Sales Tax Return is due to the City of Craig for monthly filers for the reporting period July 1-July 31, 2018.

**Special Events Fees proposed for adoption May 22nd, 2018:**

Craig City Council will be reviewing Resolution Number 5 detailing the fees associated with Sales Tax Licensing/Reporting for Special Events (i.e. Farmer's Market, Grand Old West Days, Mall Craft Fairs). Proposed fees/rules relating to special events are as follows:

- Special Event Sales Tax License Fee- \$10 per event per vendor per month. This is an administrative fee that will help offset the costs for paperwork/payment/return processing for the event. If a vendor holds a current Sales Tax License with the City of Craig, the \$10 fee will be waived for the special event.
- Each vendor participating in the event is required to complete a Special Event Sales Tax License form if they will be participating in the event.
- The event host/owner is responsible for ensuring that all vendors have completed and paid for their Special Events Sales Tax License.
- Event host/owner is responsible for submitting payments/applications for the event to the City of Craig Sales Tax Department prior to the event start date.

- Special event sales tax returns will need to be completed on paper forms. Paper forms are available from the event host/owner or from the City of Craig and need to be submitted and paid to the City on or before the 20<sup>th</sup> of the month following the special event.
- Late filing fees/interest rates:
  - 10% penalty with \$15 minimum amount for late filing with monthly interest rate of 1.5% of the balance due for late payment remittances.
- Payments can be made using cash, check, and credit card at the City of Craig Sales Tax Office. No additional fees on various tender types for payments made on special event sales tax return payments.

**Support/Training:**

Phone and web support are available Monday-Friday from 8AM to 5PM by calling MUNIREvs at 1-888-751-1911 or emailing [support@munirevs.com](mailto:support@munirevs.com) . This service is free of charge and a valuable resource if you need some guidance with the new process.

In addition, training times are available and can be scheduled for those businesses who would like to have in person training with the software with Katy Burns. Training times will be made available Tuesday-Thursday of the following weeks: June 12-14, June 26-28, July 10-12, July 16-18, August 7-9. Please contact Katy Burns by phone or email if you want to schedule some individual training.

**Recent/Upcoming Targets:**

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

April 11, 2018- Fees for Sales Tax/Licenses adopted.

April-May 2018- MUNIREvs tax reporting software implementation.

May 2018- Lobby kiosks located at City Hall to be installed for tax filers to use free of charge.

June-August 2018- Training times are available for businesses on the new tax reporting process and licensing procedures through MUNIREvs or directly with the City.

**Notes:** 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. The State tax return form will not change in format with the tax collection change, however, Colorado document DR 1002 will be updated showing that Craig is a self-collecting sales tax jurisdiction.

Information and the link to our tax reporting software can be found on our City website located at: [http://ci.craig.co.us/departments/finance\\_department/sales\\_tax](http://ci.craig.co.us/departments/finance_department/sales_tax). Please feel free to contact me with any questions/concerns.

Sincerely,



Katy Burns  
Senior Sales Tax Accountant

[kburns@ci.craig.co.us](mailto:kburns@ci.craig.co.us)

970-826-2003