

Rio Blanco County Sales & Use Tax Department



Rio Blanco County
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USE TAX INFORMATION AND EXEMPTIONS

By public vote, Rio Blanco County passed a 2% County Use Tax effective July 1, 1981. On November 6, 2001, the public voted to increase the tax by 1.6% for a total tax of 3.6% effective January 1, 2002. The Use Tax was imposed to tax the privilege of using or consuming in Rio Blanco County any construction and building materials purchased at retail and to tax the privilege of storing, using, or consuming in Rio Blanco County any motor and other vehicles purchased at retail.

Use Tax on motor vehicles is collected by the County Clerk and Recorder.

Use tax is complimentary to the sales tax in those situations where a sales tax cannot, as a practical matter, be collected, or has not, for any reason, been collected in the course of the retail transaction. Generally, materials purchased within Rio Blanco County are subject to the county Sales Tax and materials purchased outside of the county are subject to the Use Tax.

The term "construction and building materials" shall mean tangible personal property which is used or consumed in Rio Blanco County and which is intended to become a part of, attached to, or a component of a building, structure, road, or appurtenance in Rio Blanco County.

FILING REQUIREMENTS

Anytime materials subject to the Use Tax are used or consumed in Rio Blanco County, a Use Tax Return must be filed.

When building or other permits are required for construction or operation, the party who applies for the permit is responsible for ensuring that returns are filed for all the taxable material used in that project, whether the materials were purchased by contractors, subcontractors or the project owner.

IF THE USE TAX RETURN IS NOT FILED AND PAID BY THE PARTY WHO OBTAINS THE PERMIT, THE OWNER OF THE PROJECT IS STILL LIABLE FOR THE PAYMENT OF THE TAX.

When permits are not required, the owner of the construction project is responsible for ensuring that the required Use Tax Returns are filed and the Use Tax due is paid, whether the materials are purchased by the owner, the contractors or subcontractors. Anyone who purchased materials and who is responsible for filing the Use Tax Return shall maintain and preserve detailed purchases and receipt records that shall be subject to inspection and audit by the Sales and Use Tax Department.

WHEN THE USE TAX IS DUE

A Use Tax Return must be filed for each month of construction by the 20th of the following month. Monthly filing of the Use Tax Returns is required until construction is complete, even if no tax is due. If you don't file by the 20th of the month for the preceding month, you may be subject to a penalty fee of 10% of the tax and to an interest fee of 8% per annum (.0067 % for each overdue month).

COLLECTION

The Use Tax due for a building project must be paid before the Certificate of Occupancy under the Building Code will be issued. Any unpaid Use Tax due is subject to collection by the Sales and Use Tax Department.

EXEMPTIONS FROM USE TAX PAYMENT

Use Tax shall not apply:

1. When eligible materials have been purchased at retail within Rio Blanco County and the Rio Blanco County Sales Tax has been paid, a credit shall be granted.
2. When eligible materials have been purchased for resale in Rio Blanco County, either in its original form or as an ingredient in a manufactured product.
3. When eligible materials are brought into Rio Blanco County by a non-resident, temporarily within the County for his own storage, use, or consumption. However, if the material is to be used on the conduct of a business, the Use Tax shall be collected.
4. When eligible material is stored, used, or consumed by a governmental entity, religious or charitable corporation in the conduct of its regular functions.
5. When eligible material enters into the processing of or becomes an ingredient or component part of a product which is manufactured or compounded for sale, profit, or use.
6. When eligible material has already been subject to a Sales or Use Tax of another county, a credit shall be granted for Sales or Use taxes paid. However, such credit shall be limited to the amount previously paid which is equal to or less than the amount required by Rio Blanco County's 3.6% Use Tax.
7. When tangible personal property and household effects are brought into Rio Blanco County by a non-resident acquiring residency.
8. When eligible material was contracted for, in writing, prior to July 1, 1981
9. When eligible material is made necessary in the performance of a construction contract bid, let, or entered into prior to July 1, 1981.

For Information & Questions Call:

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