

Construction Equipment Declarations

General Instructions

Purpose of Form

This form is used for taxpayers to declare Construction Equipment (**CE**) that is brought into the City of Boulder ("City") pursuant to § 3-2-2(a)(9)-(14) of the *Boulder Revised Code* ("Code") and to report any use tax that may be due as a result. Separate declarations must be made for each and every separate construction project. A declaration must be made even if no use tax is due.

Due Date for Construction Equipment

- Located in the city for less than 31 consecutive days, the declaration is due within 20 days of the date it was moved out of the city
- Located in the city for more than 30 consecutive days, the initial declaration is due within 90 days of the date equipment was moved into the city

Declarations may be filed by mail provided they are postmarked by the due date.

Amended Declaration(s) Required: Taxpayers must report changes to initial declarations by filing amended declarations at least once every 90 days after the equipment is first located in the city.

For projects less than 90 days: an amended declaration is required no later than 20 days after removal. Indicate whether declaration is an original or amended declaration by checking the appropriate box on the upper right side of the form.

Equipment not previously declared must be declared on a separate initial declaration filed as described above.

An equipment declaration and any tax owed must be filed within 20 days of removing any equipment from the city.

Note: Some taxpayers may wish to defer the payment of use tax for equipment that will be moved into the city later in the project which can be accomplished by filing separate declarations for each piece of equipment as it is located in the city.

Equipment under \$2,500 doesn't need to be declared. This exemption does not apply to the sales/use tax due on rented or leased tools or equipment, or tools or equipment purchased directly for and charged directly to a specific job or project in the city.

Claim for Refund Required for Overpayment. If after amending a declaration, the taxpayer discovers that an overpayment of use tax has occurred, a signed *Claim for Refund* form must be submitted with the amended declaration. A *Claim for Refund* form may be obtained from the Revenue/Sales Tax section of the city website or by contacting the Sales Tax Division.

Signature required. The person completing the declaration on behalf of the taxpayer must sign and date the form at the bottom. A printed name is also required.

If the taxpayer is not an individual person, the title of the officer or agent completing the form on behalf of the taxpayer must also be printed on the form. Forms without a signature will be returned and may not be considered timely filed.

Specific Instructions

Lines 1 thru 7 – Taxpayer Information. Print the legal name, the trade or other name the taxpayer is known by, and the mailing address of the taxpayer. For declarations of individuals or sole proprietorships, print the last name followed by the first name on line 1.

Line 8 – City Account Number. If the taxpayer is licensed with the city, list the Boulder tax account number.

Line 9 – Project Address. List the street address of the project or jobsite in the city.

Lines 10 – 16 (and additional sheets if necessary). *Complete one line for each piece of equipment.*

Column a – Equipment Description & Identification Number. List a general description for the piece of equipment along with an identification number that may be used to trace the equipment to the taxpayer's purchase records such as a serial number or asset tag number.

Column b – Date moved into city. List the date that **CE** is first brought into the city for use on the current project. This date will be used to determine the date that use tax is due (see *Due Date* above).

Column c – Date moved out of the city. List the date that **CE** is moved out of the city. For projects less than 90 days in duration, this date will be used to determine the date that use tax is due (see *Due Date* above).

Column d – Days in city. List the total number of consecutive days the equipment was located in the city.

Column e – Purchase price - List the full original purchase price of the equipment as per taxpayer's records.

Column f – Date of purchase – List the date that equipment has been purchased as per taxpayer's purchase records.

Column g – Value of Equipment – If purchased within five years of the date in column b, list the full original purchase price of the equipment (same as column e). If the equipment was purchased more than five years but less than 10 years before the date in column b, list the book value or fair market value, whichever is greater. If the equipment was purchased more than 10 years before the date in column b, enter zero (0).

Column h – Tax Credit. Credit may be taken against Boulder use tax for legally imposed sales or use taxes previously paid to Boulder, to other Colorado municipalities or to other states in accordance with section 3-2-9 B.R.C., 1981. Such credit may not exceed the Boulder use tax due.

If no municipal or other state sales or use tax has been paid on the equipment, enter a zero in this column (h).

To compute a Colorado municipal credit amount, take the total of any previously paid, legally imposed municipal sales or use tax and divide this amount by **0.0386**. Enter the result in this column (h).

Do not include State of Colorado, RTD, cultural district (CD), football district (FD), county, or other special district sales or use taxes. Credit is allowed only for legally imposed sales or use tax previously paid to other Colorado municipalities.

For example, if a piece of equipment was purchased for \$125,000 and a sales tax of 6.1% (consisting of 2.9% State tax, 1.2% RTD/CD/FD tax, and 2.0% city tax) was legally imposed (consisting of \$2,500 in city sales tax; \$7,625 in total sales tax), the municipal credit amount would be \$64,766.84 - (\$2,500 city sales tax divided by 0.0386).

To compute another state credit amount, take the total of any previously paid, legally imposed state sales or use tax and divide this amount by **0.08845**. Enter the result in this column (h).

For example, if a piece of equipment was purchased for \$100,000 and a total state sales tax of 7.0% (\$7,000) was legally imposed, the credit amount would be \$79,140.76 - (\$7,000 sales tax divided by 0.08845).

NOTE: Proof of payment of any taxes for which a credit is claimed must be submitted with the declaration.

Column i – Net Equipment Value. If the amount in column (h) is *greater than or equal to* the amount in column g, enter a zero in this column (i).

If the amount in column (h) is *less than* the amount in column (g), subtract the amount in column (h) from column (g) and enter the difference in this column (i).

Column j – Taxable Amount. Use tax may be prorated for equipment which is located in the city for 30 consecutive days or less provided that it is declared no later than 20 days from the removal of the equipment from the city.

If the number in column (d) is *greater than* 30, enter the amount in column (i) in column (j). If the number in column (d) is *less than or equal to* 30, divide the amount in column (i) by 12 and enter the result in column (j).

Complete each column for each piece of equipment. If additional lines are needed for more than seven pieces of equipment, attach additional schedules with the same information. For audit purposes, *do not summarize all equipment in a single line.*

Line 17 – Total – Lines 10-16. Enter the sum of column j for lines 10 through 16 on this line 17.

Line 18 – Total Taxable Amount from Additional Sheets. Enter the total taxable amount, if any, computed on additional schedules used to detail additional pieces of equipment on this line 18.

Line 19 – Total Taxable Amount. Enter the sum of lines 17 and 18. This is the amount subject to city use tax.

Line 20 – Use Tax Due. Multiply the amount on line 19 by 0.0386 (3.86%, the city use tax rate). This is the amount of use tax due.

Signature – After reviewing the form for accuracy, sign and date the form. Print your name, title and phone number.

Payment – Checks should be made payable to the *City of Boulder* and mailed to the address listed below. The use tax is due when the declaration is filed. The declaration and payment of use tax due must be postmarked on or before the date that equipment is first located in the city. Payments postmarked after the due date will be subject to penalties and interest.

Department of Finance

Sales Tax Division

P.O. Box 791 1777 Broadway Boulder, CO 80306-0791

Related Links

- [Construction Use Tax](#)
- [Declaration Form](#)

Contact:

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