



UNDERSTANDING TAXES  
IN  
*Greenwood  
Village*

INSIDE:

Licensing and Permits  
Occupational Privilege Tax  
Sales Tax

Use Tax  
Building Materials Use Tax  
Accommodations Tax

Property Tax  
Tax Filing Requirements  
Other Resources



# Strength

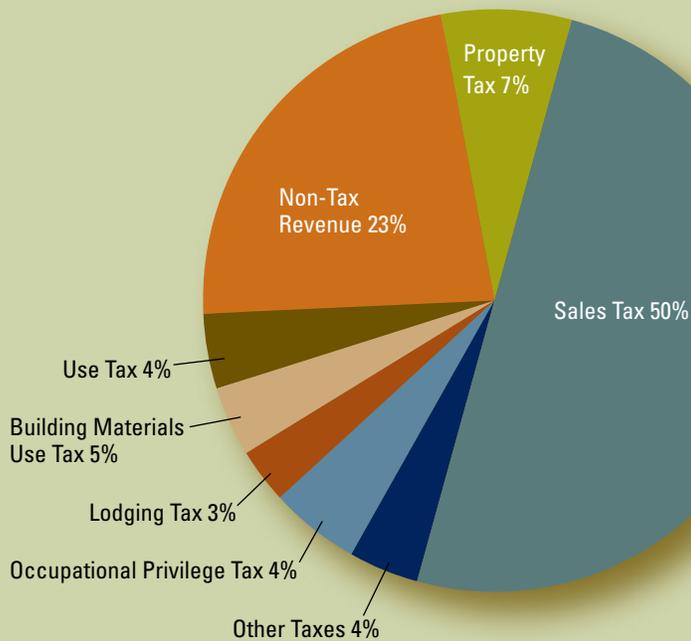
## Our Strength Comes from Businesses

### Where Do Your Tax Dollars Go

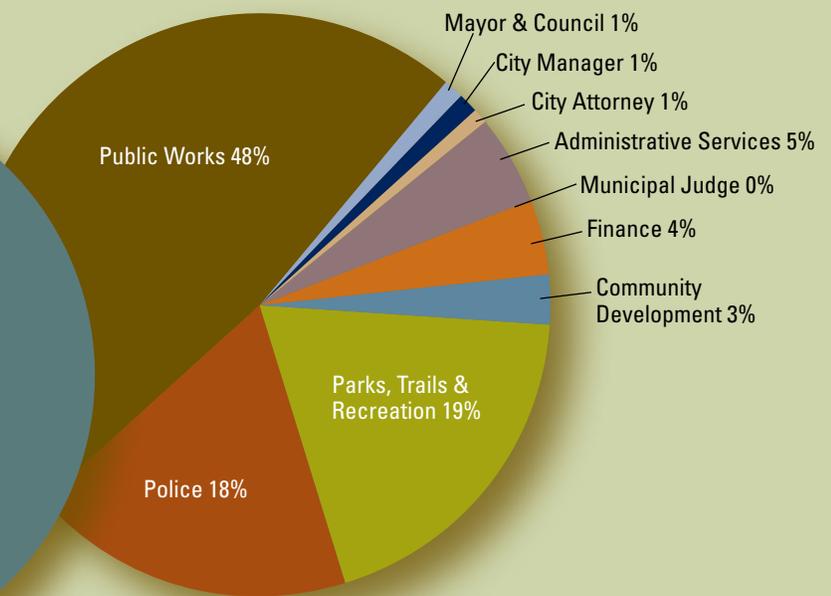
Members of the business community, through the business taxes they pay, play a major role in the Village's ability to provide high quality services to the community. These services include police protection, street maintenance, snow removal, parks and trails, and

community aesthetics. Without tax dollars, many of these services would not be possible. The collection of tax dollars is crucial for the Village to sustain the overall quality of life of the residential and business areas of Greenwood Village.

### Forecasted Revenues by Source\*



### Forecasted Expenditures by Department\*



\*Revenues and expenditures fluctuate annually

Greenwood Village relies heavily on tax dollars from businesses to provide essential services that benefit the entire community.



# Community

## Becoming a Member of Our Community

### Licensing & Permits

More than one license may be required prior to conducting business in Greenwood Village. To obtain additional information or an application for any of our licenses, visit our website at [www.greenwoodvillage.com](http://www.greenwoodvillage.com) or stop by the Finance Department customer service counter at City Hall. The following types of licenses and permits are available in Greenwood Village and provided by the Finance Department (unless otherwise noted):

- **Tax License** – Tax licenses are issued by Taxpayer Services. The application form is used for the licensing of Occupational Privilege Tax, Sales Tax, Use Tax, and the Accommodations Tax. The Tax License Application includes information about your firm; including the type of business, number of employees, items to be sold or services to be provided.
- **Special Event Registration** - Vendors selling items at a special event in the Village are required to complete a Special Event Registration form, as well as collect and remit the 3% municipal sales tax. There is no fee for the special event registration and is in lieu of a sales tax license. Special events are sales at a temporary location such as art and craft sales, auctions, church bazaars, farmer's markets and sales of promotional items during a seminar.
- **Residential Solicitors Permit** - Residential solicitation is allowed in the Village but only if a Residential Solicitation Permit has been obtained. This permit requirement applies to individuals or organizations who are selling goods or services or who are seeking gifts or donations for an organization. A permit shall be valid for use by all members or employees of the organization.
- **Vending/Amusement Machine License** – These licenses are renewable on an annual basis and are required for all vending machines such as juke boxes, food and drink vending machines, and mechanical and/or electrical amusement devices placed in a location with public access. The Village does not collect sales tax on purchases from vending machines. The annual licensing fees are in lieu of sales tax. Cigarette vending machines are not allowed in Greenwood Village.
- **Contractor's License** – Contractors who perform work that requires a building permit must be licensed and provide proof of necessary insurance. Subcontractors working under the supervision of a licensed contractor do not have to be licensed. In most cases, contractors will need a Level A license to cover all commercial remodel work. Additional information is available by contacting Community Development at 303-486-5783.
- **Liquor License** - Liquor licensing laws in Colorado require businesses that serve alcohol to obtain license approval from the Greenwood Village Local Liquor Licensing Authority and the State of Colorado. A public hearing before the City Council acting as the Local Liquor Licensing Authority is required for a business to obtain or transfer ownership of a liquor license. Additional information is available by contacting the City Clerk's office at 303-486-5755.



# Investing

## Investing Where You Do Business Collecting the Right Taxes

Familiarizing your business with the types of tax liabilities in the Village may help to reduce the time and effort necessary to comply with our various tax requirements.

### Occupational Privilege Tax (OPT)

All businesses located in the Village, as well as those with employees working in our community, are responsible to pay the Occupational Privilege Tax. The Occupational Privilege Tax consists of two portions – both for the employer and employee. Both portions are \$2 per month (\$4 combined) and both apply when an employee earns \$250 or more in a calendar month. The employer is responsible for reporting and remitting both portions of the tax.

#### Tax Tips

- Religious and charitable organizations that possess our tax exemption certificate are exempt from paying the employer portion of OPT.
- When an employee subject to OPT works in more than one city that levies an Occupational Privilege Tax, the tax shall be payable to the city in which the employee worked the most. Employees with more than one employer or working in more than one city with an Occupational Privilege Tax during the same time period should only have their primary employer withhold and remit the tax.
- Businesses in the Village that utilize the services of a Professional Employment Organization (PEO) still need to obtain an OPT license.

- Owners, partners, and officers who are not paid a salary or commission are subject to only the employer portion of the tax.
- If your organization has two or fewer employees, tax may be remitted on an annual basis. Employers with 10 or fewer employees may remit on a quarterly basis. Employers with more than 10 employees must remit on a monthly basis.

Revenues derived from the Village's collection of Occupational Privilege Tax are used exclusively for capital projects such as street improvements that enhance the roadway network that serves businesses, employees, and visitors.



## Sales Tax

Greenwood Village has one of the lowest sales tax rates in the Denver metro area. The Village levies a 3% sales tax upon all sales, purchases, and leases of tangible personal property and taxable services. Every retailer located in the Village should charge a total tax rate of 7.25%.

City of Greenwood Village	3.00%
State of Colorado	2.90%
Arapahoe County	0.25%
Regional Transportation District (RTD)	1.00%
Cultural District (CD)	0.10%
<b>Total</b>	<b>7.25%</b>

## Tax Tips

- Items delivered to locations outside of Greenwood Village should not have Greenwood Village sales tax applied. If delivering into another city, that city should be contacted for their sales tax requirements.
- Exempt sales may include:
  - ✓ Automobiles registered to a Greenwood Village address
  - ✓ Food for home consumption (prepared food is taxable)
  - ✓ Gasoline
  - ✓ Cigarettes
  - ✓ Labor (when separately billed from materials)
  - ✓ Sales to exempt organizations
  - ✓ Items sold for resale

Sales tax collections are forecasted to comprise over 50% of the Village's annual revenue, making it the largest single source of revenue for Greenwood Village.

## Use "Greenwood Village" in Your Mailing Address

Greenwood Village businesses often pay a higher, incorrect sales tax. Many vendors do not realize they are making deliveries into Greenwood Village because Englewood is often included as part of the mailing address. As a result, the higher Englewood rate (7.75%) is often charged. Deliveries into the Village should not have a tax rate that exceeds 7.25%. Let your vendors know your business is located in Greenwood Village.

## Use Tax

In addition to sales tax, the Village imposes a 3% use tax. Use tax is a complement to sales tax with one distinct difference - it is remitted directly to the taxing jurisdiction by the consumer. Virtually every business located in the Village will have a use tax liability. Use tax eliminates any sales tax advantage that out-of-Village retailers may have. This protects local businesses by ensuring that tax dollars remain with the Village.

## Helpful Scenarios

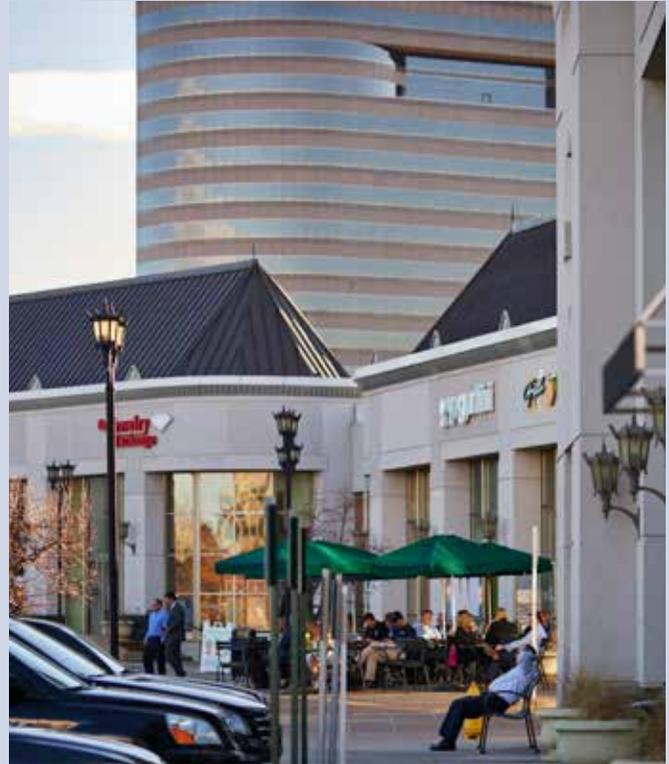
- A desk is purchased and delivered to your office in Greenwood Village. Greenwood Village Sales Tax is charged (total tax charged – 7.25% City/State/County/RTD/CD).  
*No use tax is due. The Greenwood Village Sales Tax charged offsets any use tax.*
- A desk is purchased and delivered to your office in Greenwood Village. Greenwood Village Sales Tax is not charged for whatever reason (total tax charged – 4.25% State/County/RTD/CD).  
*Use tax is due. The amount is 3.0% of the purchase price.*
- A desk is purchased and you pick it up in Unincorporated Arapahoe County. It is brought back to your office in Greenwood Village. Only the State, County, RTD and CD Sales Tax have been charged. (total tax charged – 4.25% State/County/RTD/CD).  
*Use tax is due. The amount is 3.0% of the purchase price.*
- A desk is purchased and you pick it up in Denver. It is brought back to your office in Greenwood Village. Denver, State, County, RTD and CD Sales Tax have been charged. (total tax charged – 7.65% Denver/State/County/RTD/CD).  
*Use tax is not due. The Denver tax was lawfully imposed and offsets the Greenwood Village Use Tax.*
- A desk is purchased and you pick it up in Centennial. It is brought back to your office in Greenwood Village. The Centennial 2.5% Sales Tax has been charged. (total tax charged – 6.75 percent Centennial/State/County/RTD/CD).  
*Use tax is due. The amount due is 0.5% of the purchase price. The Centennial 2.5% Sales Tax only partially offsets the 3.0% Greenwood Village Use Tax.*
- A desk is purchased and delivered to your office in Greenwood Village. A total sales tax rate of 7.85% has been charged. You are not sure what City's tax has been charged.  
*Call the vendor and tell them an incorrect sales tax has been applied. Ask the vendor whether they are licensed to collect Greenwood Village Sales Tax. If the vendor says they are not licensed with Greenwood Village or does not know, pay the vendor only the 4.25% State/County/RTD/CD Sales Tax and remit the 3.0% Greenwood Village Use Tax directly to the Village. If the vendor says they are licensed with Greenwood Village, request that the vendor reissue the invoice with the 7.25% Greenwood Village/State/County/RTD/CD Sales Tax.*

### Tax Tips

- Use tax is not due when the appropriate Greenwood Village Sales Tax has been paid to the vendor or when another city's or county's lawfully imposed sales or use tax has been paid at a rate equal to or greater than the Greenwood Village Sales/Use Tax rate (3.0%).
- Purchases of tangible personal property for resale are not subject to use tax.

### Building Materials Use Tax

The Building Materials Use Tax applies to anyone who is performing construction work which requires a building permit. The tax is estimated and paid prior to the issuance of the building permit. Building Materials Use Tax is calculated based on the contract price which includes the total cost of construction, including building materials, labor, overhead expenses, and profit. Building materials are defined as materials that become permanently affixed to the building and include bricks, concrete, glass, steel, stone and lumber.



Building Materials Use Tax applies to building permits with a contract price in excess of \$5,833.

The Building Materials Use Tax is 3.25%, of which 3% is the Village's Use Tax and 0.25% is designated to Arapahoe County Open Space Tax. The estimated Village Use Tax due is 3.0% of 60% percent of the total cost of construction. The first \$3,500 of building materials is exempt. Tax-exempt entities such as government agencies, religious and charitable organizations may be exempt from the Building Materials Use Tax.







### Accommodations Tax

Accommodations Tax, also known as Lodging Tax, applies to all lodging services furnished within Greenwood Village. Every provider of lodging services furnishing a room or rooms is required to collect the 3.0% lodging tax and remit it to the Village on a monthly basis.

#### Tax Tip

- The accommodations tax is in addition to the 3.0% Sales Tax.

Greenwood Village has one of the lowest accommodations tax rates in the State of Colorado.

### Property Tax

Property taxes are generated via a mill levy on the assessed real and personal property located within the Village. The residential assessment rate is currently 7.96 percent. The assessment rate for all other property, including vacant land is 29 percent. The mill levy is made up of 2.932 mills used to support the general operating activities of the Village, as well as an additional 2.306 mills restricted for the purposes of supporting the operations of the Sewer General Improvement District #1. Greenwood Village's mill levy is one of the lowest in the Denver metro area.

Property tax is determined by the Arapahoe County Assessor's Office. Both commercial and residential property taxes in Greenwood Village are remitted directly to Arapahoe County who will disburse to the individual entities listed on your property tax statement. For more information about your property tax statement, please call the Assessor's Office at 303-795-4600.

#### Tax Tips

- Property taxes are calculated by multiplying the actual value of the property by the assessment rate and then by the total mill levy.
- Mill levies are determined by each individual taxing authority such as the school, county, city, fire, water, sanitation and recreation districts.

The Village's current mill levy rate of 2.932 equates to approximately \$23.34 of property tax per \$100,000 market value of a home.



## We Value Our Business Relationships

### Remitting Taxes at the Right Time

We make fulfilling your tax responsibility in Greenwood Village an experience that is educational, efficient and positive. It is the Village's goal to provide the utmost service in helping taxpayers understand and comply with the Village's tax laws. A member of Greenwood Village Taxpayer Services is always available to answer your tax questions, Monday through Friday, between 8:00 a.m. and 5:00 p.m.

Tax Help Line

303-486-8299

If your business has had a recent change of ownership, name, or address that has not been reported to our office, please call Taxpayer Services at 303-486-8299 or email us at [taxdepartment@greenwoodvillage.com](mailto:taxdepartment@greenwoodvillage.com).

### For Your Convenience..

**Tax Coupon Booklets** are mailed every year to all licensed businesses for their convenience in remitting taxes to the Village. Blank tax returns are also available on our Website at [www.greenwoodvillage.com](http://www.greenwoodvillage.com). When using a blank form, please make sure to include the name of your business, tax account number, and tax period(s) for which you are filing. If you do not wish to receive pre-printed tax coupons or wish to use your own forms, please contact our offices first. All forms must be approved by Taxpayer Services to ensure that required information is included. All returns must be reported to the Village, even when no balance is due. Zero balance returns may be mailed, faxed or e-mailed.

All taxes due to Greenwood Village should be mailed with the appropriate tax return to:

City of Greenwood Village  
P.O. Box 910841  
Denver, CO 80274

**Taxpayer Education Classes** are offered free of charge to your business here at City Hall or a member of our staff can visit your local office to provide personalized assistance to your group or business. Call Taxpayer Services at 303-486-8299 to set up your class or appointment.

### Other Resources

**Arapahoe County Assessor** (Property Tax)  
303-795-4600  
[www.arapahoegov.com/assessor](http://www.arapahoegov.com/assessor)

**Colorado Department of Revenue** (State Sales Tax)  
303-238-7378  
[www.colorado.gov/revenue](http://www.colorado.gov/revenue)

**Greenwood Village Chamber of Commerce** (Community Resources)  
303-290-9922  
[www.dtcchamber.com](http://www.dtcchamber.com)

**Internal Revenue Service** (501(c)(3) Exemption)  
303-446-1675  
[www.irs.gov](http://www.irs.gov)

**Secretary of State**  
303-894-2200  
[www.sos.state.co.us](http://www.sos.state.co.us)

**Tri-County Health Department** (Health Inspections)  
303-220-9200  
[www.tchd.org](http://www.tchd.org)





**Greenwood Village Finance Department  
Taxpayer Services**

6060 South Quebec Street  
Greenwood Village, CO 80111

Phone 303-486-8299 • Fax 303-486-5757

Email: [taxdepartment@greenwoodvillage.com](mailto:taxdepartment@greenwoodvillage.com)



[www.greenwoodvillage.com](http://www.greenwoodvillage.com)