

# City and County of Denver, Colorado

## TAX GUIDE

### *Topic No. 62*

## PETS

The retail sale or purchase of animals is taxable like any other tangible personal property, unless the transaction is otherwise exempt. Specific exemptions are provided for cattle, sheep, lambs, swine, and goats. In addition, horses used for breeding purposes are exempt.

The purchase of pet food and prescription drugs for animal use is subject to sales or use tax. The DRMC exemptions for food and prescription drugs for human consumption do not extend to animals.

The sale of prescription drugs, vaccinations, and injections for animal use is subject to sales tax when the charge is separately stated on the customer's invoice. A veterinarian is responsible for collecting Denver sales tax on these charges when separately stated on the invoice to its customer. If the veterinarian chooses not to itemize charges for drugs, vaccinations, and injections on the invoice to its customer, use tax would be due on the purchase of these items, with credit being allowed for any properly imposed sales tax previously paid.

Materials and supplies purchased by veterinarians are subject to use tax when the properly imposed sales tax is not collected by a licensed vendor.

### EXAMPLES

1. Happy Hound Kennel sells five registered puppies to a pet store that has a Denver sales tax license. This transaction meets the definition of a wholesale sale and would not be subject to sales or use tax. However, when the pet store sells the puppies to individuals, each of the sales is subject to tax.
2. Doggie Drugs, a distributor of animal medications, makes sales to Critter Doctor, a veterinarian located in Denver. Because Critter Doctor is licensed to collect Denver sales tax, its purchases of drugs and medications are made for resale. Since the bill Critter Doctor gives to its customers itemizes the drugs, including those administered as an injection or vaccination, sales tax is collected from the customer and remitted to the City.
3. Well Supplied, a distributor licensed to collect Denver tax, sells veterinary supplies, gowns, gloves and syringes. Your Best Friend Veterinarian, located in Denver, purchases these non-resale items for its own use in rendering its services. Well Supplied would collect sales tax on sales made to this customer. However, if Well Supplied does not collect the Denver tax, Your Best Friend Veterinarian would remit use tax on these purchases.

RELATED TAX GUIDE TOPICS:

Livestock, Livestock Bedding/Feed

Horses

Feed and Seeds

- \* DRMC Section 53-25(1). Imposition of Tax - Sales
- \* DRMC Section 53-26(5). Exemptions – Livestock - Sales.
- \* DRMC Section 53-26(6). Exemptions – Feed/Seeds - Sales.
- \* DRMC Section 53-96(1). Imposition of Tax - Use.
- \* DRMC Section 53-97(5). Exemptions – Livestock - Use.
- \* DRMC Section 53-97(6). Exemptions – Feed/Seeds - Use.

*The complete Denver Tax Guide, the Denver Revised Municipal Code (DRMC), tax forms, and other related information and forms are available on-line at [www.denvergov.org/treasury](http://www.denvergov.org/treasury).*

THE ABOVE INFORMATION IS A SUMMARY IN LAYMAN'S TERMS OF THE RELEVANT DENVER TAX LAW FOR THIS INDUSTRY OR BUSINESS SEGMENT. IT IS NOT INTENDED FOR LEGAL PURPOSES TO BE SUBSTITUTED FOR THE FULL TEXT OF THE DRMC AND APPLICABLE RULES AND REGULATIONS.