

# City and County of Denver, Colorado

## TAX GUIDE

### *Topic No. 79*

## TRADE SHOWS/CONSUMER SHOWS

Sales of tangible personal property made at trade shows, unless specifically exempted, are subject to Denver sales tax.

All trade/consumer show organizers, managers or sponsors, as well as show participants, who are engaging in retail sales, and are not licensed to remit Denver sales tax on an ongoing basis, are required to submit a Special Event Sales Tax Application and remit sales tax on special event sales tax returns provided by the Treasury Division. On-going Denver vendors remit their sales tax collections on their own regular returns. (See Related Tax Guide Topic - Occasional Sales and Rentals.)

For trade shows, consumer shows, conventions, auctions or any other type of special event where sales are made, the event organizer, manager or sponsor must provide a list of all participating vendors. The list must include each vendor or participant's business name, address, telephone number, and the owner's name, address and telephone number. All vendors or participants (including organizers, managers, and/or sponsors) will then receive an information packet that includes a Denver Special Event Sales Tax License Application, and a sales tax return. Based on the frequency of a vendor's sales in Denver, a regular license or a special event license will be issued, whichever is appropriate.

Denver allows charitable organizations that do not have a sales tax license, to pay the sales/use tax upon their acquisition of tangible personal property, which is to be transferred to others in exchange for direct payment, donation, or participation in a game of chance. The charitable organization can pay the tax directly to the vendor from whom these items are purchased, if the vendor is a licensed Denver vendor, or by paying the tax directly to Denver if the vendor is located outside of Denver.

"Required donations" which entitle the donor to receive tangible personal property are taxable. The total consideration paid to the vendor is the taxable amount of the sale. The organization's exempt status does not apply in these situations. (See Related Tax Guide Topics – Charitable Exemption and Governmental Exemption.)

Admission charges to trade/consumer shows held at facilities owned or leased by the City and County of Denver are subject to the 10% Facilities Development Admission Tax on the price of admission. The promoter of the trade/consumer show is required to collect and remit this tax to the City. (See Related Tax Guide Topic - Facilities Development Admission Tax.)

### EXAMPLES

1. A non-profit charitable organization, Save the Water, is a trade show participant. Save The Water must obtain a special event sales tax license. For a minimum donation of \$10, attendees receive a commemorative T-shirt. Because a minimum donation of \$10 is required in order to receive the T-shirt, sales tax must be remitted to the City on this "donation."
2. A major corporation will be represented at the All Around Beer Tasting Festival. The corporation will be giving away several different items in promotion of its beer. In this case, although the items are not being sold, sales/use tax is due on the purchase price of the items given away.

## RELATED TAX GUIDE TOPICS

Charitable Exemption  
Governmental Exemption  
Facilities Development Admission Tax  
Occasional Sales and Rentals

- \* DRMC Section 53-23. Administration of article; rules and regulations.
- \* DRMC Section 53-25. Imposition of tax.
- \* DRMC Section 53-26. Exemptions.
- \* DRMC Section 53-29. Unlawful to assume or absorb tax.
- \* DRMC Section 53-76(a),(b). Retail License Required.
- \* DRMC Section 53-94. Administration of article; rules and regulations.
- \* DRMC Section 53-96. Imposition of tax.
- \* DRMC Section 53-97. Exemptions.
- \* DRMC Section 53-100. Unlawful to assume or absorb tax.
- \* DRMC Section 53-146(a),(b),(c). Retail License Required.
- \* DRMC Section 53-346. Imposition of tax.
- \* State of Colorado Sales and Use Tax Regulation 26-114.1(a)(II). Charitable Organizations.
- \* CRS 39-26-103(9)(b). Singular/Special Events License.

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.

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