

**EXECUTIVE ORDER NO. 46**

**TO:** All Agencies Under the Mayor

**FROM:** Michael B. Hancock, Mayor

**DATE:** March 31, 2015

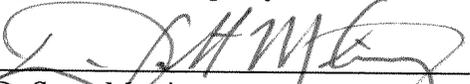
**SUBJECT:** State of Colorado Sales and Use Tax Exemption

**PURPOSE:** This Executive Order establishes the policy for the State of Colorado Sales and Use Tax exemption regarding construction and building materials as it relates to the City and County of Denver. Executive Order No. 46, dated May 20, 2003, subject "State of Colorado Sales and Use Tax Exemption," is hereby cancelled and superseded by this Executive Order No. 46.

- 1.0 **Applicable Authority:** The applicable authority relevant to the provisions of Executive Order 46 includes Section 2.2.10 of the Charter of the City and County of Denver, Articles II and III of Title 53 of the Denver Revised Municipal Code, and the Rules Regarding the Assessment and Collection of Sales and Use Taxes on Sales and Use of Tangible Personal Property Acquired by Construction Companies.
- 2.0 **Responsible Authority:** Chief Financial Officer for the City and County of Denver.
- 3.0 In accordance with Colorado Revised Statutes (C.R.S.) 39-26-708, all sales of construction and building materials to contractors and subcontractors for use in the building, erection, alteration or repair of structures, highways, roads, streets, and other public works owned and used by the City and County of Denver are exempt from sales and use taxes imposed by the State, Regional Transportation District (RTD), and the Scientific and Cultural Facilities District.
  - 3.1 C.R.S. 39-26-708 enables the contractor to purchase materials tax-free, when material is to become a part of a structure for a tax exempt entity.
  - 3.2 In order to purchase materials tax-free, the contractor must first apply with the Colorado Department of Revenue, Sales and Use Tax Division, for an exemption certificate.
- 4.0 Notwithstanding the exemption from state tax, all materials shall be subject to sales and use taxes imposed by the City and County of Denver. The purchase or use of building materials by construction companies on jobs in Denver are subject to taxation in accordance with the Rules Regarding the Assessment and Collection of Sales and Use Taxes on Sales and use of Tangible Personal Property Acquired by Construction Companies issued by the Chief Financial Officer pursuant to the Denver Revised Municipal Code.

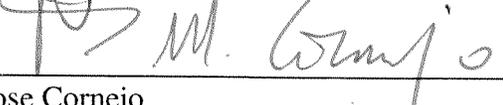
5.0 This Executive Order is self executing, but procedures for implementing it may be defined by memorandum attachments issued by the agency responsible for the content of this Executive Order, if necessary, to accomplish its purposes.

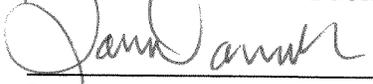
Approved for Legality:

  
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D. Scott Martinez  
City Attorney for the City and County  
Of Denver

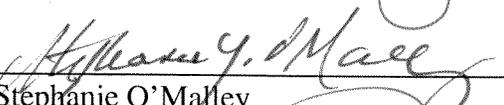
Approved:

  
\_\_\_\_\_  
Michael B. Hancock  
MAYOR

  
\_\_\_\_\_  
Jose Cornejo  
Executive Director of Public Works

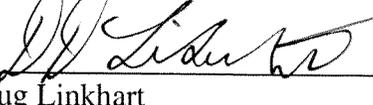
  
\_\_\_\_\_  
Lauri Dannemiller  
Executive Director of Parks & Recreation

  
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Cary Kennedy  
Chief Financial Officer

  
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Stephanie O'Malley  
Executive Director of Safety

  
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Adrienne Benavidez  
Executive Director of General Services

  
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Penny May  
Executive Director of Human Services

  
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Doug Linkhart  
Executive Director of Environmental Health

  
\_\_\_\_\_  
Kim Day  
Chief Executive Officer of Aviation

  
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Brad Buchanan  
Executive Director of Community Planning  
& Development