



## Regarding Charitable Exemption Applications

### New applicants and renewals:

Effective January 1, 2021, if your organization is actively registered and in good standing with the Internal Revenue Service (IRS) as a 501(c)(3) organization, you no longer need to apply for a City and County of Denver exemption.

In order to be exempt from sales, use, lodger's, tourism improvement district, and the business portion of the occupational privilege taxes within the City and County of Denver, you must meet the following two requirements:

- The organization must be actively registered and be in good standing with the IRS as a 501(c)(3) organization
- The purchase(s) must be made by the qualifying charitable organization and paid directly from the funds of the organization.

Please provide your 501(c)(3) organization letter to Treasury when applying for any tax licenses if you are required to report sales to the public or have employees in Denver subject to the employee occupational privilege tax, so we can mark your account exempt for taxes directly on your organization.

When purchasing for your own organization, retailers should ask you to complete the Standard Affidavit of Exempt Sale to document your proof of direct payment and will probably need a copy of your 501(c)(3) letter from the IRS.

If retailers also insist on an exemption letter from the City and County of Denver, please direct them to [www.denvergov.org/treasury](http://www.denvergov.org/treasury) to contact us directly, or feel free to provide this announcement, to confirm an eligible entity is no longer required to obtain a Letter of Exemption from the City and County of Denver effective January 1, 2021.

Not all purchases made by charitable organizations may be exempt. We encourage you to learn more at [www.denvergov.org/treasury](http://www.denvergov.org/treasury), click Business Taxes, then Tax Guides, then Fundraising.

### For companies previously issued a Letter of Exemption:

All companies who previously had been issued a Letter of Exemption are welcome to still use that document until expiration noted or you may start using just your 501(c)(3) organization letter from the IRS as explained above.

If you have further questions to determine if you qualify as an exempt, 501(c)(3) organization, please contact the Specialized Audit Support Team at [taxexemption@denvergov.org](mailto:taxexemption@denvergov.org).