

COIN OPERATED SERVICES AND SHORT TERM RENTALS

Many traditionally coin-operated businesses are commonly regarded as offering services, but are deemed to be rentals of certain real or personal property for very short periods of time. Storage and meeting rooms are short term rentals that are subject to the City's sales tax.

WHAT ARE SHORT TERM RENTALS?

Short term rentals are the in-place use, for a price, of real property or tangible personal property.

- Laundromats
- Pool and billiards tables
- Amusement machines
- Car washes
- Storage units
- Meeting rooms or events centers
- Dog washes (self-service)
- Showers for humans
- Massaging action chairs
- Hydro-massage tanks
- Ride amusements
- Any other similar items either existing or not yet contemplated

LICENSING

All businesses require a Business/Sales and Use Tax License and are subject to zoning approval. Look into zoning *first*, before committing to any contracts: (303) 235-2846. In addition, amusements (including pool tables) are subject to separate licensing based on the number of machines and are subject to strict placement regulations. News racks and news boxes also require an additional permit and listing of locations.

Complete the Business/Sales and Use Tax License application.

- Fill in all the blanks.
- Include the fees stated on the form (\$20)
- Submit it to the Tax Office at the address above.
- Renew each year in January (\$20)

TAX

The City sales tax of 3.5% applies to short term rentals. The machines or equipment are not taxable at the time of purchase. For coin-operated type rentals, such as laundry equipment and vending machines, the gross receipts method of calculating tax is allowed. If a sale is rung through a cash register or invoiced, sales tax must be an additional line item similar to a retail sale.

Tax is due according to the following schedule set forth by the City Code in section 22-40-c:

Tax averages over \$100/month	monthly
Tax averages \$20 to \$100/month	quarterly
Tax averages less than \$20/month	yearly

Translated to sales, that means:

Average Monthly Sales	Average Monthly Tax	Reporting Period
Over \$2,857	Over \$100	Monthly
\$571 - \$2,857	Over \$20 - \$100	Quarterly
Under \$571	Under \$20	Yearly

The return and remittance are due 20 days after the end of the month, quarter or year.

GROSS RECEIPTS TAX CALCULATION

Calculating tax by the gross receipts method is easy!

1. Determine gross receipts.
2. For the City's 3.5% tax: Multiply the receipts by 96.5%. This is the taxable amount.
3. Subtract the taxable amount from the gross receipts. This is the tax due.



Sales Tax Division
(303) 235-2820

7500 W. 29th Avenue

Wheat Ridge, CO 80033
WRTax@ci.wheatridge.co.us