



Media Release

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Businesses Have 30 Extra Days to Remit Sales Tax *Extension defers penalty and interest*

Denver, April 6, 2020 – On Friday the Governor issued an executive order temporarily suspending the requirement for businesses to remit sales tax for 30 days. The executive order reads:

Retailers that are required to file a sales tax return on April 20, 2020 pursuant to C.R.S. §§ 29-2-106, 39-26-105 and 39-26-109 may extend their April 20, 2020 filing and remittance deadline to be filed and paid in full on or before May 20, 2020. This is a one-time extension of the April 20, 2020 filing and remittance deadline for State and State-administered sales taxes. However, a retailer that does not file the return and remit full payment on or before April 20, 2020 will not be permitted to retain the vendor fee described in C.R.S. § 39-26-105(1)(c) and (d) and the vendor fees described in the statutes, ordinances, and resolutions that apply to the State-administered sales taxes. I also direct the Department of Revenue to promulgate and issue emergency rules to extend the April 20th filing and remittance deadline to May 20, 2020.

The executive order is a deferment of the requirement of retailers to remit sales tax for 30 days, penalty and interest free, for the period of Monday, April 20, 2020 to Wednesday, May 20, 2020. The retailer however, forfeits their ability to retain the vendor fee if they take advantage of this 30 day extension. The extension applies to all state-administered local sales taxes but does not apply to self-collecting home-rule cities.

The vendor fee is a percentage of the sales tax collected that a retailer is allowed to retain in order to cover the expenses incurred by collecting and remitting state sales tax. The state vendor fee is currently 4% of the sales tax remitted and is capped at \$1,000 per filing period. Local vendor fees vary.

The Department is continually monitoring the evolving COVID-19 situation, and responding in real-time to address the questions and concerns of Coloradans. To help keep the public informed, CDOR has set up a COVID-19 page where we will post all updates and changes related to taxes, deadline extensions, services and penalties. Please visit www.Colorado.gov/Tax/COVID-19-Updates for more information.