



Sales & Use Tax System (SUTS)

Local Government Frequently Asked Questions

State-Administered Local Jurisdictions

1. Can sales tax for state-administered local jurisdictions be filed and paid using SUTS?

Yes, taxpayers may use the SUTS System to file and pay sales tax for both state-administered local jurisdictions and participating self-collecting home-rule jurisdictions. For a complete list of participating jurisdictions, visit the [SUTS Participating Jurisdictions](#) web page.

2. Will remittance procedures change for our jurisdiction with the implementation of the Sales & Use Tax System (SUTS)?

No, state-administered local jurisdictions will not see any changes to the sales and use tax remittance process with the implementation of SUTS.

Self-Collecting Jurisdictions

1. Are home-ruled self-collecting jurisdictions required to pay for SUTS?

No, there are no access fees for participating in SUTS. There is a \$1.00 per day batch bank processing fee, which will be prepaid for a year when you sign up at \$260. Each year in June, you will get an invoice to add funds to your account in order to return your balance to \$260. Review the [SUTS System User Agreement](#) for more information.

2. How will audits work under this system?

There is no change to the audit processes for self-collecting jurisdictions. Self-collecting jurisdictions will receive tax returns from the SUTS System, post them in their system of record, and include those returns in any audit process.

3. What happens if a business tries to file taxes for a municipality that is currently not in the SUTS system?

The business will receive a message that the home-rule municipality is not a participating jurisdiction and the taxes cannot be remitted via SUTS at this time.



4. What is the sales tax filing frequency for taxpayers using SUTS?

Department rules provide that a taxpayer with an average monthly tax of \$300 or more must file monthly. Taxpayers with an average monthly tax less than \$300 may file quarterly. If a taxpayer's average monthly tax liability is \$15 or less, and filing monthly or quarterly would prove a hardship, the taxpayer may request permission to file annually.

Retailers engaged in a seasonal business may request permission to file only for the months during which they operate. Also, retailers that keep their books on a basis other than a calendar month (e.g. retailers who account in 13 four-week cycles) may request permission to file according to their accounting schedule. The rule also provides for changes to the filing schedule 7/13 after it is approved.

5. What if we need to change the filing frequency for a taxpayer, whom do we contact?

The Department is willing to accommodate requests by self-collecting home-rule cities to increase the state filing frequency of taxpayers with a high volume of sales that are exempt for state purposes but taxable locally. Please register your request for a change in your filing frequency by emailing the Registration Group at DOR_Multilocations@state.co.us.

6. Can SUTS still collect tax on the food for home consumption and other sales tax exemptions for a home-rule municipality, when the State has an exemption for that category?

Yes, the food for home consumption is an exemption that the state allows and some home-rule municipalities do not. Businesses would declare those revenues in gross sales. On their state filing in SUTS, they would show an amount to exempt their sales that were for items that are food for home consumption. For the home-rule municipality, they will not have an exemption for those same sales.