

Declaration of Exempt Energy Use

A purchaser may use this form to claim an exemption from Colorado sales and use taxes for industrial or residential energy use. Restaurant must use form DR 1465, *Retail Food Establishment Worksheet for Exempt Energy Use Deduction*.

Specific Instructions

Line 1 Purchaser Information

Enter the purchaser's contact and other information.

Tax Identification Number. Enter one of the following for the purchaser:

- CAN (Colorado Account Number),
- FEIN (Federal Employer Identification Number),
- ITIN (Individual Taxpayer Identification Number), or
- SSN (Social Security Number).

Type of Exemption. Mark whether the exemption is for industrial or residential energy use.

- **Industrial use** means energy used in a continuing business activity of manufacturing or producing tangible personal property or specified services, including processing, manufacturing, mining (including oil and gas exploration and production), refining, irrigation, construction, street and railroad transportation services, gas and electric service, and telegraph, telephone, and radio communication.
- **Residential use** means energy used for domestic purposes, including powering lights, refrigerators, stoves, water heaters, space heaters, air conditioners, or other domestic items that require power or fuel in a residence. "Residence" means a separate dwelling in a multi-unit apartment, condominium, townhouse, or mobile trailer home park, or a separate single-unit dwelling, including minor buildings associated with the residence that are billed under the residential utility meter, such as a shed, garage, or barn.
- **Commercial use is not exempt**, including any part of a building used as a store, office, maintenance room, computer room, laboratory, lunchroom, lounge, waiting area, or any other area used solely for the comfort of employees. Use of an area before or after the exempt activity is also not exempt.

Line 2, Utility Information

Enter the information regarding a single utility meter or location.

Type of Energy. Mark one type of energy use per form. In addition to electricity and gas, other qualifying types of energy include coal, coke, fuel oil, wood for residential use, or steam or nuclear fuel for industrial use.

Exempt Calculation. Mark whether you calculated the exempt percentage by the square footage or the actual energy consumption for exempt and nonexempt use. Use the actual energy consumption when all of the energy on an account or meter is sold exclusively for exempt use.

To use the square footage method, calculate and document the square feet of the building used exclusively for an industrial or residential use. This is the exempt portion, which is compared to the total square footage of the building to compute the exempt percentage. Do not include any commercial or other nonexempt use area in the exempt portion.

To use the actual energy consumption method, make a complete list of the exempt-use equipment with its original installation or placement date, and calculate the energy use of that equipment for a one-year period. This is the exempt portion, which is compared to the total energy use for the same period. Keep this list and calculation in your records, and submit a copy to the Department with any claim for refund of taxes paid.

Exempt Percentage. Divide the exempt portion by the total, and enter the result in as a percentage with four places after the decimal, XXX.XXXX%.

Line 3, Purchaser Signature

This form must be signed by the purchaser or a person authorized to execute this form on behalf of the purchaser. The purchaser remains directly liable for the reporting and payment of sales or use tax, plus interest and any applicable penalties, for any energy use that does not qualify for the exemption.

Submission

Based on your exempt percentage, use the chart below to determine how to claim this exemption and pay any tax due.

If:	Submit to the utility supplier:	The utility supplier will:	Submit to the Department:
Your exempt percentage is 75% or more	This form	Charge no tax	DR 0252, Consumer Use Tax Return, to report and pay the tax on any nonexempt percentage
Your exempt percentage is less than 75%	Nothing	Charge the full amount of tax	DR 0137B, Claim for Refund of Tax Paid to Vendors, to claim a refund of the tax paid on the exempt percentage for the prior year

Declaration of Exempt Energy Use

1. Purchaser Information		
Purchaser Name		Tax Identification Number
Mailing Address		Phone Number
City	State	ZIP Code
Type of Exemption:	<input type="checkbox"/> Industrial Use	<input type="checkbox"/> Residential Use
2. Utility Information		
Type of Exemption:	<input type="checkbox"/> Electricity	<input type="checkbox"/> Gas <input type="checkbox"/> Other
Exempt Calculation:	<input type="checkbox"/> Square Footage	<input type="checkbox"/> Actual Consumption
Supplier Name		
Location of Energy Use		
Meter or Account Number	Exempt Percentage	
3. Purchaser Signature		
I declare that the purchaser's energy use qualifies for exemption as entered above, and that I am the purchaser or have the authority to execute this form on behalf of the purchaser.		
Authorized Signature	Title	Date (MM/DD/YY)