



## INSTRUCTIONS

This form is used for taxpayers to calculate the actual use tax due from construction projects requiring Town building permits and reconcile such tax with the estimated amount remitted when the permit was obtained. Any underpayment should be remitted with this report within ninety (90) days of the issuance of a Certificate of Occupancy (C.O.) or the date of final inspection by the building official, whichever occurs later.

Supporting documentation is required to be submitted with this form. The Town will review all of the information provided and notify you if additional information is required. The Town may conduct an audit of the project any time within 36 months of the date of C.O

**Line 1 – Total Materials Cost** - Enter the purchase price paid for all construction materials used in the project. **Include all materials** regardless of whether they were purchased from sources inside or outside the Town. Also include materials purchased by the contractor or the property owner, or used by the contractor, subcontractor, or other person performing work on the project. Finally, include the delivery costs whether listed on the invoices or invoiced separately.

**Line 2 – Total Cost of Fabrication Labor** - Include the cost of any manufacturing or fabrication labor. Also include charges for freight, delivery, fuel surcharges, environmental fees, handling, and other miscellaneous charges.

**Line 3 – Total Taxable** - Includes the sum of Line 1-3.

**Line 4 – Total Town Use Tax Due** - Compute the use tax due on the project by multiplying the amount on line 4 by 3.5% (the Town of Erie use tax rate).

**Line 5 – Estimated Pre-Payment Amount** - Enter the amount of use tax paid when the building permit was obtained. This amount is listed on the permit.

**Line 6 – Town of Erie Sales Tax Paid** - List the amount of Town of Erie Sales Tax paid on the provided invoices. Invoices must be provided to get credit for the sales tax paid.

**Line 7 – Total Town of Erie Tax Paid** - Sum of Line 5-6.

**Line 8 – Town of Erie Amount Due** - If the amount on line 4 is *more than* the amount on line 7, the difference is the additional amount of use tax due on this project. Enter that amount on line 8.

If the amount on line 4 is *less than* the amount on line 7, this is the overpaid amount of use tax. Do not complete the remaining lines except for the signature area. Attach the required supporting documentation and submit the report without any payment.

**Line 9 – Late Filing Penalty** - Any additional use tax due is subject to a late filing penalty if not paid within ninety (90) days from Certificate of Occupancy (C.O.) or Final Inspection. Multiply the amount in line 8 by 10% plus 0.5% per month late (not to exceed 18%) and enter the greater of this product, or \$15.

**Line 10 – Interest** - Any additional use tax due is subject to interest if not paid within ninety (90) days from Certificate of Occupancy (C.O.) or Final Inspection. Multiply the amount listed on line 8 by the applicable State of Colorado interest rate and multiply this result by the number of months the tax remained unpaid.

**Line 11 – Total Due** - Add the amounts in lines 8, 9, and 10 together. This is the total amount due. Make the payment payable to the Town of Erie and remit along with this signed form.