

City of Colorado Springs

# Tax Guide

## Engaged in Business

Engaged in business means performing or providing services or selling, leasing, renting, delivering or installing tangible personal property for use, storage, or consumption within the City. Engaged in business includes, but is not limited to, any one of the following activities by a person:

- A. Directly, indirectly, or by subsidiary maintains a building, store, office, salesroom, warehouse or other places of business within the taxing jurisdiction;
- B. Sends one or more employees, agents or commissioned sales persons into the taxing jurisdiction to solicit business or to install, assemble, repair, service or assist in the use of its products, or for demonstration or other reasons;
- C. Maintains one or more employees, agents or commissioned sales persons on duty at a location within the taxing jurisdiction;
- D. Owns, leases, rents or otherwise exercises control over real or personal property within the taxing jurisdiction; or
- E. Makes more than one delivery into the taxing jurisdiction within a twelve (12) month period.
- F. Any retailer who is engaged in business in the City must be licensed and must collect sales tax on all taxable retail sales.

### CS CODE SECTION

2.7.104 Words and Phrases:  
Business,  
Engaged in Business  
2.7.102, 2.7.201, 2.7.301  
2.7.311, 2.7.312, 2.7.409

### Related Tax Guides

Sales Tax

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*This guide provides an overview of specific subject matter and is not intended to be substituted for the full text within the City of Colorado Springs Tax Code.*

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A business or individual who operates inside the City of Colorado Springs is liable for paying city sales or use tax upon their own purchases of tangible personal property or taxable services when the items are used, stored, consumed or distributed within the City.

### Common Example

1. A business located inside the City sells tangible personal property within their store and online as well. The store delivers product through a 3<sup>rd</sup> party carrier to the Colorado Springs customer for their convenience. The business activities fit the definition of engaged in business. The business should collect and remit City tax.

Question? email us at:  
salestax@springsgov.com