



# Town of Parker Sales Tax Administration

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## CONSTRUCTION PROJECT COST REPORT – USE TAX RETURN

This form is used to compute the actual use tax due on construction projects located within the Town of Parker and to reconcile such tax with the estimated tax paid when the building permit was obtained. Any underpayment must be remitted with this report within sixty (60) days of the issuance of the Certificate of Occupancy or the final building inspection. This report also serves as the claim for refund in the case of an overpayment.

All returns filed with the Town of Parker are subject to audit by the Sales Tax Division. If this project is selected for audit, you will be contacted by an auditor to schedule a time to review additional documentation. The Town of Parker sales and use tax code requires all supporting documentation be retained for at least 3 years from the date this return is filed.

Taxpayer Information	Legal Name of Business or Individual Name	Trade Name	Contact Name
	Taxpayer Mailing Address	Address of Project/Jobsite	Contact Phone
	Taxpayer City, State Zip	Building Permit #	Date Final CO Issued (or Final Inspection if No CO)

Required Documents**	<b>Actual Cost Method*</b>	<b>50% of Total Billings Method*</b>
	Copy of all customer billings	Copy of all customer billings
	Copy of final job cost summary	Copy of final job cost summary
	Copies of all invoices on which Town of Parker sales tax was paid**	
	Construction Materials Cost Affidavit from each subcontractor	

Computation of Construction Use Tax	<b>Actual Cost Method (Required for Refund Requests)</b>		<b>OR</b>		<b>50% of Total Billings Method</b>	
	1. Total cost of construction materials (Include materials used by subcontractors)		A. Total amount billed to customer			
	2. Total cost of fabrication labor (Include fabrication labor by subcontractors)					
	3. Total cost of rentals (Include rentals used by subcontractors)					
	4. Total Taxable Costs (Line 1+Line 2 + Line 3)		B. Estimated Taxable Materials (50% of Line A)			
	5. Total Town of Parker use tax due (Line 4 x 3.00%)		C. Total Town of Parker use tax due (Line 4 x 3.00%)			
	6. Project Cost from Permit		D. Project Cost from Permit			
	7. Parker estimated use tax paid on permit (Line 6 x 50% material est. x 3% tax rate)		E. Parker estimated use tax paid on permit (Line D x 50% material est. x 3% tax rate)			
	8. Town of Parker sales tax paid on invoices (Copies must be included)					
	9. Total Town of Parker tax paid** (Line 7 + Line 8)					
	10. Town of Parker additional use tax due or (refund due) (Line 7 - Line 9)		F. Town of Parker additional use tax due (Line C - Line E)			
	11. Penalty (greater of \$10 or 15% of Line 9)		G. Penalty (greater of \$10 or 15% of Line F)			
	12. Interest (1.5% per month of line 9)		H. Interest (1.5% per month of Line F)			
13. Total Due (Line 9 + Line 10 + Line 11)		I. Total Due (Line F + Line G + Line H)				

<b>Due Date for Return:</b> Any additional use tax calculated on this return must be reported and paid within 60 days of the issuance of the final Certificate of Occupancy. Amounts paid after this date are subject to penalty and interest calculated from the date the final Certificate of Occupancy was issued.	<b>My signature affirms that I have read this return and it is true and correct to the best of my knowledge and is signed subject to penalties for perjury and other criminal offenses.</b>		
	Signature		Printed Name
	Title	Phone	Date

\*Failure to provide required documentation will be considered an incomplete return and may result in late penalty and interest charges.

\*\*Contractors may not take credit against Town of Parker use taxes for taxes paid to other jurisdictions including Douglas County.



## CONSTRUCTION PROJECT COST REPORT INSTRUCTIONS

### IMPORTANT REMINDER

At the time a permit is pulled, an estimated prepayment of use tax is collected based on either (1) 50% of the total valuation of the construction contract(s) or (2) 50% of the job valuation data chart. The total estimated use tax collected on Town of Parker building permits is 4%. This includes 3% Town of Parker use tax and 1% Douglas County use tax. Any additional tax or refund due calculated on this project cost report will be based ONLY on the 3% Town of Parker use tax rate.

### Actual Cost Method Directions:

- LINE 1: Enter the purchase price paid for all construction materials used in the project. Include all materials regardless of if the supplier is located inside or outside the Town of Parker, who purchased them (contractor, sub-contractor, property owner) and who used them (contractor, sub-contractor, property owner or any other person performing work on the project).
- LINE 2: Enter the purchase price paid for all fabrication labor used in the project. Include all fabrication labor regardless of where it was purchased from (suppliers inside or outside the Town of Parker), or who purchased it (contractor, sub-contractor, property owner).
- LINE 3: Enter the purchase price paid for all rental equipment used in the project. Include all rental equipment regardless of where it was rented from (suppliers inside or outside the Town of Parker), who rented it (contractor, sub-contractor, property owner) and who used it (contractor, sub-contractor, property owner or any other person performing work on the project).
- LINE 4: Total of Lines 1 through 3.
- LINE 5: Multiply the amount on Line 4 by the Town of Parker tax rate of 3%.
- LINE 6: Enter the project valuation from the building permit.
- LINE 7: Calculate the amount of Town of Parker estimated tax paid when the permit was issued. DO NOT use tax paid on permit as this includes Douglas County tax. Calculation is Line 6a x 50% for materials estimate x 3% Town of Parker tax rate.
- LINE 8: Enter the amount of Town of Parker sales tax paid on invoices for construction materials, fabrication labor and rental equipment. Copies of the invoices on which Town of Parker sales tax was paid must be provided in order to receive credit. DO NOT include any state, county, special district or other municipality sales taxes paid.
- LINE 9: Enter the sum of Line 7 and Line 8.
- LINE 10: Additional Tax Due  
If Line 5 is greater than the amount on Line 9, additional tax is due. Subtract Line 9 from Line 5 to determine the total additional tax due  
Overpayment of Tax  
If Line 9 is greater than the amount on Line 5, you may be due a tax refund. Subtract Line 9 from Line 5 to determine the amount of overpayment
- LINE 11: The project cost report is due 60 days after the issuance of the final certificate of occupancy. **Penalty** on all late returns is calculated as the greater of \$10 or 15% of the total use tax due (Line 10) and should be entered on Line 11.
- LINE 12: The project cost report is due 60 days after the issuance of the final certificate of occupancy. **Interest** on all late returns is calculated at a rate of 1.5% per month late times the total use tax due (Line 10) and should be entered on Line 12.
- LINE 13: Total due and payable to the Town of Parker, add Lines 10 through 12. Make your check payable to the Town of Parker. Please ensure the amount of Line 13 matches the amount remitted to the Town.

### 50% of Total Billings Method Directions

- LINE A: Total amount charged to building owner for all construction related costs including but not limited to all labor, materials, equipment, supplies, overhead and profit.
- LINE B: Multiply the amount on Line A by the materials estimate of 50%.
- LINE C: Multiply the amount on Line B by the Town of Parker tax rate of 3%.
- LINE D: Enter the project valuation from the building permit.
- LINE E: Calculate the amount of Town of Parker estimated tax paid when the permit was issued. DO NOT use tax paid on permit as this includes Douglas County tax. Calculation is Line D x 50% for materials estimate x 3% Town of Parker tax rate.
- LINE F: Subtract Line 8 from Line 5 to determine the total additional tax due. If a refund is calculated STOP, you MUST use the actual cost method.
- LINE G: The project cost report is due 60 days after the issuance of the final certificate of occupancy. **Penalty** on all late returns is calculated as the greater of \$10 or 15% of the total use tax due (Line E) and should be entered on Line F.
- LINE H: The project cost report is due 60 days after the issuance of the final certificate of occupancy. **Interest** on all late returns is calculated at a rate of 1.5% per month late times the total use tax due (Line E) and should be entered on Line G.
- LINE I: Total due and payable to the Town of Parker, add Lines F through H. Make your check payable to the Town of Parker. Please ensure the amount of Line I matches the amount remitted to the Town.