

DENVER TAX AMNESTY GUIDELINES

Program Date: October 1 to December 30, 2011

Tax Amnesty Program Overview

The City and County of Denver (Denver) has established a Tax Amnesty Program to run for three months, from October 2011 through December 30, 2011, which will cover the principal excise taxes administered and collected by Denver. The program provides an opportunity for taxpayers to pay any unreported back taxes while avoiding penalties and criminal prosecution. In addition, interest charges on delinquent taxes will be reduced by half.

Denver taxes eligible for amnesty include **sales tax, retailer's use tax, consumer's use tax, and occupational privilege tax**, for tax liabilities incurred on or before June 30, 2011. All other taxes, including property taxes, are not eligible for tax amnesty under the Denver program.

To obtain the benefits offered under the amnesty program, a check for the full payment of taxes and the reduced interest amount must accompany an Application for Tax Amnesty. The application and payment must be received or postmarked by the final day amnesty is offered, December 30, 2011.

For periods in which the taxpayer applies for amnesty, the taxpayer waives its right to future claims for refund, credits, or appeal. If the taxpayer applies for amnesty and is denied, Denver will apply payment received to any outstanding tax liabilities the taxpayer may have and will not refund the payment. If amnesty is granted and an audit later reveals additional taxes are due, amnesty that was granted will not be revoked for the amount that the taxpayer had self-assessed, but the additional tax due from an audit assessment would be subject to full penalty and interest charges. However, if the taxpayer knowingly files a false amnesty application form for a taxable period, amnesty will be revoked and full penalty and interest charges will be reinstated.

Who is Eligible for Amnesty

Most businesses and individuals are eligible for amnesty under the Denver Tax Amnesty Program if they:

- Previously failed to file a return or underreported the tax on a previously filed return for Denver sales tax, use tax, or occupational privilege tax for any taxable period ending on or before June 30, 2011.
- Purchased goods for consumption in Denver from vendors that did not charge Denver sales tax. This includes untaxed purchases over the Internet.
- Made a one-time or occasional sale in Denver and did not collect or remit Denver sales tax.
- Purchased or entered into a lease of a motor vehicle on or before June 30, 2011, resided in Denver at the time and either did not pay local tax on the transaction, or improperly reported residency in another city or county.
- Properly complete and file an Application for Tax Amnesty form by the amnesty deadline, December 30, 2011.
- Include with the application a check for the full payment of taxes and one-half the interest due for periods in which amnesty is being requested.

What is NOT Eligible for Amnesty

Taxes other than Denver sales, use, or occupational privilege taxes are not eligible for amnesty under the Denver program. Furthermore, tax periods ineligible for amnesty include those in which the taxpayer:

- Incurred the tax liability after June 30, 2011.
- Has been issued a Notice of Final Determination, Assessment, and Demand for Payment, a Notice of Delinquency or a Notice of Underpayment by Denver prior to amnesty filing.
- Has entered into a written payment agreement for taxes due prior to October 1, 2011.
- Is being investigated or prosecuted for criminal or fraudulent activity related to its Denver taxes as of October 1, 2011.