

Instructions for Certificate of Exemption Application

General Instructions

Purpose of Form: This application is used for the sole purpose of establishing sales tax exemption for charitable organizations as defined by the City of Lakewood tax ordinance.

Section 3.01.020 of the Lakewood ordinance defines charitable organizations as follows:

“Charitable organization” means any entity organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes, or to foster national or international amateur sports competition (but only if no part of its activities involve the provision of athletic facilities or equipment), or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation, and which does not participate in, or intervene in any political campaign on behalf of any candidate for public office (including the publishing or distributing of statements).

Submission: There is no fee for the application. The application and all required supplementary documents must be submitted to:

City of Lakewood
Revenue Division
480 S. Allison Parkway
Lakewood, CO 80226

To ensure accuracy and avoid delays in processing, all applications must be completed **in full**. Incomplete applications will not be processed until all required information and documents are submitted by the applicant. Please allow up to four weeks for processing.

What does the Lakewood Certificate of Exemption cover?

The Certificate exempts charitable organizations from paying the 3% Lakewood sales tax on items purchased within the City for the exclusive use of the organization. It **does not** exempt organizations from the Jefferson County, State of Colorado and other established tax rates in use within Lakewood.

Construction Materials for an Exempt Organization: Upon application review and approval, the City of Lakewood provides an exemption letter to contractors or

subcontractors to purchase construction materials for use in the building, erection, alteration, or repair of structures, highways, roads, streets, and other public works owned or used by: government entities and political subdivisions, charitable organizations in the conduct of their regular charitable functions and activities, and non-profit schools. The contractor should contact the City to determine if permits are required.

Sales by Charitable Organizations: The Certificate does not exempt organizations from the collection of sales tax on qualified items sold by the organization. Sales tax is to be collected and remitted by the organization if the individual sale exceeds \$5000. If total annual sales of tangible personal property by the organization exceed \$250,000 for the year, sales tax should be collected and remitted on all sales above this dollar limit.

For information regarding sales by charitable organizations see the Lakewood Tax Ordinance: Sales of Charitable Organizations (§3.01.180, subsection 37). Additional literature will accompany the certificate of exemption regarding taxable sales.

Specific Instructions

Mission or Purpose: Please indicate the main charitable function of the applying organization. If an official mission statement is provided in the supplemental documentation, the applicant may reference the location of this information.

Activities: Please provide in this section a detailed list of all organizational functions that will be performed within the City of Lakewood (services, programs, fundraising, solicitation, etc.).

Beneficiaries and recipients: Please indicate how charitable recipients are chosen by the organization and what criteria must be met in order to participate in services provided.

Lakewood’s Certificate of Exemption must be renewed every 5 years to maintain exempt status. Renewals are not guaranteed and are subject to the same review process as first time applicants.

The City of Lakewood is not bound to any federal, state or other municipal standards regarding sales tax exemption.

Contact Us:

For questions or comments, please contact the Finance Department at (303) 987-7630.