



Tax Compliance Guide

Certificate of Taxes Due

A *Certificate of Taxes Due* is issued by the City of Lakewood Chief Financial Officer to certify that a person and/or business is licensed with the City and is current with taxes and/or fees. The *Certificate* indicates any tax and/or fee liability at the time of certification. It is generally used for the seller of a business to certify to potential purchasers that there is no outstanding tax and/or fee liability. It can also be used to certify to Lakewood's City Clerk Office that taxes and or/fees are current for liquor license renewal purposes.

Because this information is confidential, the *Certificate* must be requested by the person and/or business or a third party authorized by the business and/or person. A *Certificate* can be requested by contacting Lakewood's Revenue Division. Separate *Certificates* are issued for sales and use tax accommodations tax, and bag fee; for \$10 per tax and/or fee type.

The person and/or business may be required to provide the selling price of the assets of the business when requesting the *Certificate*. This will assist with determining any sales/use tax liability that will result from the sale. The *Certificate* only certifies taxes and/or fees known to be outstanding as of the date prepared. The City of Lakewood is not precluded from assessing taxes and/or fees discovered through a subsequent audit or investigation.

In addition, purchasers should contact Jefferson County to ensure no liens have been recorded on assets of the person and/or business.

Example

1. The owner of a Lakewood motel wishes to sell the motel. An interested purchaser is conducting standard "due diligence" research regarding the property and requires the seller to provide evidence that its tax and fee accounts are in good standing. The owner of the motel can file a request with the Revenue Division for a *Certificate of Taxes Due* and ask that it be provided directly to the interested buyer.

Related Topics

- Business Registration & Licensing
- Sale or Purchase of a Business
- Sales Tax

- Use Tax

Citations

Lakewood's Municipal Code

- §3.01.230 Definitions
- §3.01.250 Collection, Payment and Remittance of Tax
- §3.01.260 Duty to Keep Records
- §3.01.410 Imposition of Tax; Rate
- §3.01.420 Transactions, Services, and Tangible Personal Property – Taxability
- §3.01.510 Recovery of Taxes; Penalty and Interest
- §3.01.520 Tax Lien Imposed; Exemptions
- §3.01.530 Sale/Purchase of Business
- §3.01.550 Confidential Nature of Returns

Lakewood's Regulations

- §3.01.230 Definitions: Purchase or Sale
- §3.01.530 Sale/Purchase of Business

THIS GUIDANCE IS A SUMMARY IN LAYMAN'S TERMS OF THE RELEVANT LAKEWOOD TAX LAW FOR THIS TOPIC, INDUSTRY, OR BUSINESS SEGMENT. IT IS PROVIDED FOR THE CONVENIENCE OF TAXPAYERS AND IS NOT BINDING UPON THE CITY. IT IS NOT INTENDED FOR LEGAL PURPOSES TO BE SUBSTITUTED FOR THE FULL TEXT OF THE LAKEWOOD MUNICIPAL CODE AND APPLICABLE RULES AND REGULATIONS. THIS GUIDE DOES NOT CONSTITUTE A CITY TAX POLICY.

Contact Us

For additional assistance, please contact us:

City of Lakewood

Revenue Division

480 S. Allison Parkway
Lakewood, CO 80026

Phone: (303) 987-7630

Email: taxauditor@lakewood.org

Additional Resources:

