

# PAWNBROKERS

Every pawnbroker must be specially licensed by the City before conducting business.

## GENERAL LICENSE

Every person or organization conducting business in Wheat Ridge must possess a Business/Sales and Use Tax License.

### COSTS – BUSINESS LICENSE \$20

- Application fee: \$0
- Licensing fee: \$20
- Must be renewed yearly.

## PAWNBROKER'S LICENSE

Complete the Pawnbrokers License Application:

- Available from the police department (303)235-2932
- Requirements include but aren't limited to:
- For each individual applicant, partner, officer, director, manager or 10% or more shareholder
  - Photographs and fingerprints
  - 3 character reference letters from local or metro area
  - Complete financial information for the past year
- For corporations
  - Evidence of good standing under Colorado Statutes
  - OR evidence of authorization to do business in Colorado
- Proof of fire and property damage insurance
- Zoning permission letter

### Special notes about the license:

- \$5,000 annual fee
- It is not transferable.
- It may be revoked if any applicant no longer qualifies or if there are violations of law.
- It must be updated for any change in ownership *or* management. There's a \$250 amendment fee.

## TRANSACTION FEE

Each executed transaction form is subject to a \$1.00 fee payable to the City each month.

## ABOUT TAXES

The total sales tax rate in Wheat Ridge is 8.0%:

2.9%	State
.5%	County
1.1%	Special Districts
3.5%	Wheat Ridge

What's often overlooked is *use tax*.

- This is for purchases of items used in business on which no local tax or not enough tax was paid.
- Use tax applies to the same things that sales tax does:
  - Office and operating supplies
  - Furniture, equipment and tools
  - Internet, phone and related services
  - Leases and rentals of equipment
  - Software
  - Surcharges, fees, shipping and handling

**REMEMBER THIS TAX APPLIES ONLY WHEN YOU HAVEN'T PAID LOCAL TAX!**

### HOW TO REPORT TAX

Tax is to be reported and remitted on or before the 20<sup>th</sup> of the month after the reporting period on the following schedule, based on a 3.5% tax rate (City Code section 22-40-c):

Average Monthly Sales	Average Monthly Tax	Reporting Period
Over \$2,857	Over \$100	Monthly
\$571 - \$2,857	Over \$20 - \$100	Quarterly
Under \$571	Under \$20	Yearly

A paper form will be mailed if you request it on the application. Filing online is recommended. For payment by virtual check, go to [Salestaxonline.com](http://Salestaxonline.com). For payment by card, go to [salestax.ci.wheatridge.co.us/sts1](http://salestax.ci.wheatridge.co.us/sts1).