SALES TAX AND FEES EXPLANATION

- Starting January 1, 2019 the combined sales tax and PIF/RSF rate is 7.823%
- Jan 1, 2018 - Dec 31, 2018 the combined sales tax and PIF/RSF fees rate is 7.567%
- Jan 1, 2015 - Dec 31, 2017 the combined sales tax and PIF/RSF fees rate was 7.669%
- January 1, 2019, Sales tax and PIF/RSF fees are separately stated below:
  - Loveland City Sales Tax 1.75%
  - Colorado State Sales Tax 2.90%
  - Larimer County Sales Tax 0.80%
  - Public Improvement Fee (PIF) 1.25%
  - Retail Sales Fee (RSF) 1.00%
- Because PIF and RSF are part of the purchase price of the item sold, they are taxed. This means adding the percentages together to get a total will NOT give you an accurate rate.
- Formula to get 7.823%
  - \(1.75 + 2.90 + 0.80 = 5.45\)
  - \(5.45 \times 2.25 = .123\%\)
  - \(5.45 + .123 + 2.25 = 7.823\%\)
- FOOD FOR HOME CONSUMPTION:
  - The City of Loveland taxes all food.
  - If you are selling food for home consumption, you will need to follow the formula above taking out the state and possibly county. Please contact the state of Colorado to determine if the food you are selling is subject to state or county sales tax.

Example of how a taxable item is being charged using the combined rate for sales tax and PIF/RSF:

<table>
<thead>
<tr>
<th>Taxable Item</th>
<th>$1,000.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Tax and PIF/RSF</td>
<td>x 7.823%</td>
</tr>
<tr>
<td>Total Amount Due</td>
<td>$1,078.23</td>
</tr>
</tbody>
</table>

Example of how a taxable item is being charged separately for sales tax and PIF/RSF:

<table>
<thead>
<tr>
<th>Taxable Item</th>
<th>$1,000.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>PIF/RSF</td>
<td>x 2.25%</td>
</tr>
<tr>
<td>Total Subject to Tax</td>
<td>$1,022.50</td>
</tr>
</tbody>
</table>

| Total Subject to Tax  | $1,022.50 |
| Sales Tax             | x 5.45%   |
| Total Amount Due      | $1078.23  |

SALES RECEIPT DESCRIPTION

- All receipts need to show that there is sales tax and PIF/RSF fees being charged. There are several ways to accomplish this, choose one method that works for you.
- Example receipt methods:
  - Show separate line items for the sales tax rate and the PIF/RSF fees and label them accordingly.
  - Show one rate of 7.823% and on that line state that the percentage is for sales tax and PIF/RSF Fees
  - Show one rate of 7.823% and add a statement at the bottom of the receipt that the percentage charged is for sales tax and the PIF/RSF Fees.