



Taxation of Residential Energy Use

GENERAL INFORMATION

Contrary to the exemption provided by the State of Colorado, Gas, electricity, coal, fuel oil and other energy sources sold to occupants of residences for residential use **are taxable** by the City of Loveland. Per section 3.16.020 of the City of Loveland municipal code, shown below, residential energy usage was expressly made taxable under our code.

3.16.020 General provisions.

A. There is imposed on the sale of tangible personal property at retail or the furnishing of services as provided in § 29-2-105(1)(d), Colorado Revised Statutes, a sales tax equal to three percent of the gross receipts (the "sales tax"). The tangible personal property and services taxable under this chapter shall be the same as the tangible personal property and services taxable pursuant to § 39-26-104, Colorado Revised Statutes, and subject to the same exemptions as those specified in § 39-26-114, Colorado Revised Statutes; provided that the exemption for the sales of food pursuant to § 39-26-114(1)(a)(XX), Colorado Revised Statutes, exemption for sales of electricity, coal, wood, gas, fuel oil or coke sold to occupants of residences pursuant to § 39-26-114(1)(a)(XXI), Colorado Revised Statutes, and the exemption for sales of machinery or machine tools pursuant to § 39-26-114(11), Colorado Revised Statutes, shall not apply to the sales tax, and the sale of such items is expressly made taxable under this chapter. The imposition of the sales tax on individual sales shall be in accordance with schedules set forth in the rules and regulations promulgated by the deputy city manager.

THE ABOVE INFORMATION IS A SUMMARY IN LAYMAN'S TERMS OF THE RELEVANT LOVELAND TAX LAW FOR THIS INDUSTRY OR BUSINESS SEGMENT. IT IS NOT INTENDED FOR LEGAL PURPOSES TO BE SUBSTITUTED FOR THE FULL TEXT OF THE LMTC (LOVELAND MUNICIPAL TAX CODE) AND APPLICABLE RULES AND REGULATIONS.