

## **Pagosa Springs & Archuleta County Tax Compliance Guide for Vacation Rentals**

### **Overview**

The Town of Pagosa Springs and Archuleta County both require sales and lodging taxes for all properties operated as a vacation rental. These taxes are extremely important for the entire community and are used to fund the marketing and enhancement of Pagosa Springs as a tourism destination which, in turn, will help property owners rent their vacation rental to more visitors. The collected taxes are leveraged for various marketing efforts, including, but not limited to:

- Tourism website ([www.visitpagosasprings.com](http://www.visitpagosasprings.com)) – all area marketing efforts are driven to this website
- Social marketing efforts – Facebook, Youtube, Twitter, Pinterest, etc
- Press and Media efforts – hosting media writers, sending out press releases
- Marketing and advertising efforts through online, regional visitor guides, co-op opportunities and much more
- Providing community presence at various trade shows
- Working with area event organizers to promote events through marketing channels, plus provide funding for events to promote themselves
- Funding the Chamber of Commerce to manage the visitor centers (downtown and west side location)
- Working with Town to implement area Wayfinding and Signage program
- Working with the community to improve and increase recreational amenities and tourism activities
- Ability to participate in the central reservation system, powered by Book Direct, with no commissions. The licensing fees paying for the system are covered with tax collections.
- Working closely with the Colorado Tourism Office to keep Pagosa Springs on their radar

Properties that pay required sales and lodging taxes are benefited by the following:

- Free property listing on [www.visitpagosasprings.com](http://www.visitpagosasprings.com)
- Ability to participate in community central reservation system with no commissions on bookings
- Ability to participate in area promotions, lodging packages, discounts, deals, etc.

The entire community benefits from increased tourism. We thank you for adhering to the Tax Compliance Requirements.

## **Tax Requirements**

A vacation rental includes, but is not limited to: cabins/homes, condominiums, townhomes, duplexes, hotel and motel rooms, bed and breakfast rooms, camping and RV sites. ***A vacation rental is considered any rental that is less than 30 days.***

Sales and lodging taxes are calculated on the amount paid for the right to use or possess the vacation rental. This includes reservations secured through a third party or reservations made directly through the owner or property manager of the vacation rental.

The price of the vacation rental is the total amount paid for the lodging provided. This amount may include any or all of the following items: the nightly lodging rate, cleaning fee, booking fee, service fee, processing fee, facility fee (such as pool, spa or health club), extra guest charges, extra equipment charges (ie: rollaway bed, refrigerator), internet access fees and other mandatory service charges.

Charges pertaining to a vacation rental cancellation, such as a cancellation fee or a forfeited deposit, are all subject to sales and lodging taxes unless both of the following conditions apply:

1. The cancellation charge is less than the nightly room rate; and
2. The guest is not entitled to the use of the vacation rental, regardless of having paid the cancellation charge or forfeiting the deposit.

Charitable organizations, governments, and not-for-profit schools are exempt from sales and lodging taxes on their vacation rental only if the stay is for official business, and all three of the following conditions are met:

1. The charges are paid directly to the seller by the funds of the organization; and
2. The organization is not being reimbursed for any portion of the purchase price of the vacation rental; and
3. The exempt organization must present a completed exemption affidavit and return it to the vacation rental provider in order for the exemption to be granted.

## **Getting Started: Helpful Links**

First, determine if your property is located within the town limits of Pagosa Springs, or if it's located within Archuleta County outside of town limits, in order to determine the rate of lodging taxes to collect. View the county's interactive map at <http://assessorrecords.archuletacounty.org/> or call 970-264-8310 to verify the property location if you're uncertain.

**1. Town Properties** (*your property is located within the town limits of Pagosa Springs*):

If your property is within the town limits, you are required to (1) pay 6.9% sales tax to the State on the 20th of each month for sales during the month prior, and (2) pay 4.9% lodging tax to the Town of Pagosa Springs on the 20th of each month for sales during the month prior, and (3) property owners must have a valid Business License with the Town of Pagosa Springs.

**A. State Sales Tax:**

1. Begin by creating an online account for your business at the Colorado State website at <http://www.colorado.gov/cs/Satellite/Revenue/REVX/1176842266433>.
  - Click on the “Revenue Online” Box
  - Select “Individual” or “Business” depending on how your business is structured and locate the “Sign Up” link
2. Apply for your sales tax license number at <https://www.colorado.gov/apps/jboss/cbe/>
  - If you choose to file online, you will be provided a sales tax license number immediately after applying. The actual sales tax license with the number will then be mailed to you within 2-3 weeks.
3. How to get the sales tax form (DR 0100):  
<http://www.colorado.gov/cs/Satellite/Revenue/REVX/1214992372238>
  - Locate Form “DR 0100”
  - Select “efile” to submit the forms online or click on “form” to file a paper form manually
4. Other Helpful Information for Navigating the State’s website:
  - Sales Tax Return Tutorial:  
[http://www.colorado.gov/cms/forms/dor-tax/form\\_dr0100tutorial.html](http://www.colorado.gov/cms/forms/dor-tax/form_dr0100tutorial.html)
  - To speak with a representative with the state, call (303) 238-7378, option #3, option #5, option #3, and zero for a representative.

**B. Town Business License:**

1. Apply for your Business License with the Town of Pagosa Springs

- Online at: <http://townofpagosasprings.com/vertical/sites/%7B175F1D4C-10BE-47AA-AF3E-C1BCDE2446A6%7D/uploads/%7B6169EC0B-34DF-4DA4-9594-038BE6D7DA72%7D.PDF>
- Contact the Town Clerk at 970-264-4151 ext. 237
- In Person at: 551 Hot Springs Blvd, Pagosa Springs, Colorado

**C. Town Lodging Tax:**

1. Complete the application to pay Town Lodging Tax

- Locate form online at: <http://townofpagosasprings.com/vertical/sites/%7B175F1D4C-10BE-47AA-AF3E-C1BCDE2446A6%7D/uploads/%7B1C2734E1-4C83-48A6-8450-BD2B37D8615C%7D.PDF>
- Contact the Town Clerk at 970-264-4151 ext. 237 with any questions or in person at: 551 Hot Springs Blvd, Pagosa Springs, Colorado

2. Lodging Tax Return Form :

- Complete the monthly remittance form, located online at: <http://townofpagosasprings.com/vertical/sites/%7B175F1D4C-10BE-47AA-AF3E-C1BCDE2446A6%7D/uploads/%7B7B9A5163-080E-43C4-B17E-7358E21B9641%7D.PDF>
- Contact the Town Clerk at 970-264-4151 ext. 237 with any questions or in person at: 551 Hot Springs Blvd, Pagosa Springs, Colorado

**2. County Properties** (*your property is located within Archuleta County, but outside of town limits*):

If your property is located in the county, you are required to (1) pay 6.9% sales tax monthly to the State of Colorado on the 20th of each month on the total sales during the month prior, and (2) pay 1.9% lodging tax quarterly to the State of Colorado on the 25th of the month following the quarter you are reporting sales.

**A. State Sales Tax:**

1. Begin by creating an online account for your business at the Colorado State website at <http://www.colorado.gov/cs/Satellite/Revenue/REVS/1176842266433>.

- Click on the “Revenue Online” Box
  - Select “Individual” or “Business” depending on how your business is structured and locate the “Sign Up” link
2. Apply for your sales tax license number at <https://www.colorado.gov/apps/jboss/cbe/>
- If you choose to file online, you will be provided a sales tax license number immediately after applying. The actual sales tax license with the number will then be mailed to you within 2-3 weeks.
3. How to get the sales tax form (DR 0100):
- <http://www.colorado.gov/cs/Satellite/Revenue/REVX/1214992372238>
- Locate Form “DR 0100”
  - Select “efile” to submit the forms online or click on “form” to file a paper form manually
4. Other Helpful Information for Navigating the State’s website
- Sales Tax Return Tutorial:  
[http://www.colorado.gov/cms/forms/dor-tax/form\\_dr0100tutorial.html](http://www.colorado.gov/cms/forms/dor-tax/form_dr0100tutorial.html)
  - To speak with a representative with the state, call (303) 238-7378, option #3, option #5, option #3, and zero for a representative.

## **B. County Lodging Tax:**

1. Lodging tax form (DR 1485):
- Locate form DR 1485 from list of all tax forms at:  
<http://www.colorado.gov/cs/Satellite/Revenue/REVX/1214992372238>
  - Direct Link to form DR 1485:  
<http://www.colorado.gov/cs/Satellite?blobcol=urldata&blobheader=application%2Fpdf&blobkey=id&blobtable=MungoBlobs&blobwhere=1251726201767&ssbinary=true>
2. State of Colorado’s Overview of County Lodging Tax:
- <http://www.colorado.gov/cs/Satellite?blobcol=urldata&blobheader=application%2Fpdf&blobkey=id&blobtable=MungoBlobs&blobwhere=1251652905064&ssbinary=true>

## **Next Steps**

After you have followed the steps to become compliant, please submit your property information to be included in all of the Pagosa Springs area marketing efforts. Complete the online form at:

<https://docs.google.com/a/visitpagosasprings.com/spreadsheet/viewform?formkey=dHNfWnFYSHZQSzVydIhiTDd3V3FjQ0E6MQ#gid=0>

If you have any questions, please contact us by email at [sales@visitpagosasprings.com](mailto:sales@visitpagosasprings.com) or by phone at 970-903-9728.