



# This Week in State Tax (TWIST)

May 15, 2023



COLORADO



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## Colorado: Retail Delivery Fee Changes Enacted

On May 4, 2023, Governor Jared Polis signed Colorado Senate Bill 23-143, which makes certain changes to the administration of the state's retail delivery fee. Currently, retailers are required to add the fee to the price of the retail sale, collect it from purchasers, and remit it to the Department of Revenue, similarly to a sales tax. Importantly, the bill allows a retailer to elect to pay the retail delivery fee on behalf of a purchaser effective July 1, 2023. A retailer that makes this election shall remit the fees to the Department as if the fee had been collected from the purchaser on the date of the retail delivery. In addition, effective July 1, 2022, Senate Bill 23-143 exempts qualified businesses from the retail delivery fee. A "qualified business" is a retailer that made retail sales into the state totaling \$500,000 or less in the prior calendar year. Qualified businesses will not be entitled to refunds for any retail delivery fees remitted for the period from July 1, 2022 and before July 1, 2023. Finally, Senate Bill 23-143 created a primary definition for "retail delivery" that is cross-referenced in other statutory provisions. Please contact [Steve Metz](#) with questions on the changes in Senate Bill 23-143.



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