



Ordinance 42-2020: Amendments to Title 3, Chapter 9 to Require Collection and Remittance of Littleton Sales Tax by Remote Sellers

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Policy Question

- Does council support amendments to the Littleton City Code Title 3, Chapter 9 to require collection and remittance of Littleton sale tax by remote sellers?

Summary

- Colorado's sales tax system is complicated
- The 2018 "Wayfair Decision" held that a State is not prohibited from requiring a retailer to collect on "remote" sales
- The state SUTS system provides a single point of remittance for businesses to remit sales tax (COL joined recently)
- Amendments to city code provide uniform definitions for those who do not have a physical presence but rather economic nexus
- Provides obligation for remote sellers to collect and remit sales tax to Littleton

Fiscal Impacts

- Slight increase in sales tax revenues
 - more taxpayers may come into compliance
 - SUTS allows a single point of remittance, thus easier for taxpayers
- Larger remote online vendors are already voluntarily collecting and remitting to the city

Staff Recommendation

- Staff recommends approval of the amendments to Title 3, Chapter 9 to require collection and remittance of Littleton sales tax by remote sellers

Questions?