



Tax Amnesty Program

Program overview

The City of Colorado Springs (City) has established a Tax amnesty program to run for three months, from May 12, 2009 through August 14, 2009, which will include sales and use taxes paid to the City. The program provides an opportunity for taxpayers to pay any unreported taxes while avoiding penalties. In addition, interest charges on delinquent taxes will be reduced to 6% per annum or ½% per month.

Taxes eligible for amnesty includes City sales, use, lodgers, auto rental, bicycle and movie admission.

How to Participate

In general, full payment of taxes and the reduced amount of interest for the periods in which amnesty is being requested must accompany an Application for Tax Amnesty. Applications must be received or postmarked by the final day amnesty is offered. Installment payments plans may be granted in cases where the taxpayer can demonstrate financial hardship. For periods in which the taxpayer applies for amnesty, the taxpayer waives its right to future claims for refund, credits, or appeal. If taxpayer applies for amnesty and is denied, the City will apply the payment received to any outstanding tax liabilities the taxpayer may have and will not refund the payment. If amnesty is granted and an audit later reveals additional taxes are due, amnesty that was granted will not be revoked for the amount that the taxpayer had self-assessed, but the additional tax due from an audit assessment would be subject to penalty and full interest. However, if the taxpayer knowingly files a false amnesty application form for a taxable period, amnesty will be revoked and full penalties and interest will be reinstated.

What to Do

- Determine the periods that would fall under the amnesty program.
- Complete the application and calculate the tax and interest due.
- Send the application with payment post marked by August 14, 2009.

Who is Eligible for Amnesty

All business and individuals are eligible for amnesty under the program to include:

- Previously failed to file a return or underreported the tax on a previously filed return for City taxes for any taxable period ending on or before March 31, 2009.
- Purchased or entered into a lease of a motor vehicle on or before March 31, 2009, resided in City at the time and either did not pay City tax on the transaction, or improperly reported residency in another city or county.
- Purchased goods for consumption in the City from vendors that did not charge City sales tax.
- Made a one-time or occasional sale in the City and did not remit City sales tax.
- Currently under audit.

Who is not Eligible for Amnesty

Taxes other than City sales, use, lodgers, auto rental, bicycle and movie admission. Furthermore, City taxes ineligible include those in which the taxpayer:

- Incurred tax liability after March 31, 2009.
- Has entered into a written payment agreement with the City or accepted a settlement offer.