



Tax Division
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Tax Compliance Guide

Advertising

(9/2023)

THIS GUIDANCE IS A SUMMARY IN LAYMEN'S TERMS OF THE RELEVANT AURORA TAX LAW FOR THIS TOPIC, INDUSTRY, OR BUSINESS SEGMENT. IT IS PROVIDED FOR THE CONVENIENCE OF TAXPAYERS AND IS NOT BINDING UPON THE CITY. IT IS NOT INTENDED FOR LEGAL PURPOSES TO BE SUBSTITUTED FOR THE FULL TEXT OF THE AURORA MUNICIPAL CODE AND APPLICABLE RULES AND REGULATIONS. THIS GUIDE DOES NOT CONSTITUTE A CITY TAX POLICY.

Auroragov.org/tax

The *Aurora Municipal Code* imposes a sales/use tax upon the purchase price paid for tangible personal property stored, used, or consumed in the City of Aurora. Tangible personal property includes printed and digital advertising materials.

Printed Materials

The purchase and delivery of printed advertising materials is taxable in the City of Aurora. This includes advertising materials such as newspaper inserts and circulars, flyers, brochures, coupons, and pamphlets.

Charges for the distribution and delivery of advertising materials are subject to sales and use tax in the City of Aurora in the same manner as other charges for delivery, freight, and shipping.

Banners, promotional signage, and billboards are subject to Aurora sales/use tax.

Direct Mail

Direct mail means printed material delivered or distributed by United States mail or other delivery service to a mass audience, or to addresses on a mailing list provided to or directed by the purchaser. The costs for the items are not billed directly to the recipients.

Charges for direct mail or newspaper inserts are subject to sales/use tax on items delivered into the City of Aurora.

Direct mail contracted to be delivered by third parties, including property that is never in the physical possession of the business, is subject to sales/use tax in the City of Aurora.

Postage charges are non-taxable if paid directly to the post office and billed separately from the invoices to the direct mail vendor.

Digital Advertising

Tangible personal property includes digital goods. The distribution of digital goods such as pictures/images and video are tangible personal property subject to Aurora sales/use tax.

Certain digital internet/web-based advertising is subject to Aurora sales/use tax. This includes any digital advertising that in its non-digital form would be subject to sales/use tax.

Non-Taxable Advertising

Advertising services that do not include the transfer of tangible personal property are not taxable. Examples include services such as consulting, reputation management, brand management, search engine optimization, design services, or various other services with no transfer of tangible personal property involved.

However, advertising agencies engaged in furnishing advertising services to their customers are required to pay sales or use tax on purchases of tangible personal property used in rendering their services.

Broadcast advertising over radio and television is not taxable.

Examples

1. An Aurora pizza restaurant pays for a printer to print a flyer with coupons to place on each pizza box, and also for distribution by employees at local sporting events. The purchase price of the flyers, including shipping/delivery, is subject to sales/use tax.
2. An Aurora retailer contracts with a direct mail provider to print and mail a brochure to local addresses. The invoice for the contract lists only one charge, labeled "Marketing Mailing – 500 items." The retailer will never have physical possession of the brochures; the contract states that the direct mail provider will deliver the brochures directly to the post office and that the price includes postage. This charge is a direct mail transaction subject to Aurora sales/use tax on the full amount of the contract.
3. An apartment property manager previously contracted with a printer to produce brochures to promote their floor plans and the property's amenities. This year, the manager contracted with an online property search firm to provide a digital brochure online for the same purposes. This is a taxable form of digital advertising.

Related Topics

Digital Goods
Freight Delivery and Transportation
Printers and Printing
Use Tax

Citations

Aurora Municipal Code
§ 130-31. Definitions
§ 130-33. Legislative Intent
§ 130-156. Taxable Items
§ 130-160. Responsibility for Payment
§ 130-161. Schedule of Taxes
§ 130-196. Levy
§ 130-199. Use Tax Credit

Contact Us

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