



Tax Division
15151 E. Alameda Parkway, Ste. 5700
Aurora, Colorado 80012
303.739.7800

Worth Discovering • auroragov.org

Tax Compliance Guide

Apartment Buildings & Property Management Companies

(3/2024)

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

Owners and managers of apartment buildings and other rental residential or commercial properties that are operated by a legal entity with one or more employees working in the City must obtain a General Business License and pay Aurora sales tax on items purchased, leased, or rented for use in their properties. If Aurora sales tax is not paid to a vendor licensed to collect the same, then use tax must be remitted directly to the City on the next periodic return. Credit may be taken against Aurora use tax for legally imposed sales or use taxes paid to other municipalities. Such credit may not exceed the amount of Aurora use tax due.

Residential and commercial rent charges are not subject to City sales or lodger's tax if the contract is for a period of at least 30 consecutive days.

On-site rentals of tangible personal property, such as equipment, furniture, or coin-operated laundry machines are not subject to sales tax as long as sales or use tax was paid on the purchase of the property. Sales tax must be collected if the coin-operated machine dispenses property, such as vending machines for detergent or beverages.

Materials used in minor repair work (not requiring a building permit) are subject to sales and use tax. Labor charges for installing or repairing tangible personal property are not subject to sales and use tax, provided they are separately stated from charges for materials or parts.

For construction and property improvements requiring a City of Aurora building permit, property owners and managers should verify that building permits were pulled with the City. Both property owners and the contractor pulling the building permit are liable for Aurora taxes due on any construction.

For additional information on property maintenance, see the Repairs and Maintenance and Mixed Transactions tax guides.

When a commercial or multi-family property is purchased or sold, sales/use tax is due on the portion of the purchase price attributed to tangible personal property in the contract or bill of sale. The greater of the fair market value or book value of the tangible personal property is used as the purchase price. For additional information see the Purchase or Sale of a Business tax guide.

Examples

- Complex A contracts with Vendor B to install blinds in all units. Vendor B charges \$300 for each blind, plus \$50 freight, and a separate charge of \$150 for installation. The \$300 charge for each blind plus the \$50 freight is subject to sales and/or use taxes.
- Complex C has an on-site laundry facility that charges \$0.75 per wash and a vending machine for detergent costing \$0.75. The price for the wash is not subject to sales tax if Complex C paid Aurora sales or use tax on the purchase of the on-site laundry machines. The detergent vending machine sales are taxable and Complex C must report and remit taxes on these sales to the City.
- Owner D owns an office complex and rents fully furnished office spaces including furniture and other office decor. Owner D may elect to pay use tax on the original purchase of the furniture and other personal property rather than collect Aurora sales tax on the rental of the furnishings. If Owner D does not pay sales or use tax on the original purchase of the furniture and other personal property, the owner should invoice the customer specifically for the furniture rental and collect Aurora sales tax.

Related Topics

Construction Projects Not Requiring Building Permits
Coin-Operated Devices
Leased and Rented Property
Mixed Transactions
Previously Paid Sales or Use Tax
Purchase or Sale of a Business
Repairs and Maintenance
Use Tax

Citations

Aurora Municipal Code
§ 86-86 Licenses - *Engaged in business*
§ 130-31. Definitions
§ 130-156. Taxable Items

§ 130-157. Items Exempt from Taxation
§ 130-157.5. Short-term on premises rentals of tangible personal property
§ 130-161. Schedule of Taxes
§ 130-364. Exemptions (Lodger's Tax)

Contact Us

For additional assistance, please contact us:

City of Aurora
Tax Division
15151 E. Alameda Parkway Ste. 5700
Aurora, CO 80012

Phone: (303) 739-7800

E-mail address: tax@auroragov.org

Website: <http://www.auroragov.org/tax>

Filing: <http://aurorataxportal.gentaxcpc.net>

Licensing: <http://www.auroragov.org/bl>