
Tax Compliance Guide

Self-storage Retailers Topic 316

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The *Westminster Municipal Code* imposes a sales tax upon the purchase price paid for the lease or rental of storage space within the City. This includes any mini-warehouse, mini storage, or storage facility as defined. The terms "Mini Storage" and "Mini-Warehouse" mean a building or group of buildings containing individual storage units rented or leased to individuals for the storage of merchandise, commodities, or private property. The term "storage facility" means any indoor or outdoor area, structure, warehouse or unit, whether mobile or immobile, that is ordinarily used to store tangible personal property. This term does not include kennels, lockers, mobile home pads, safe deposit boxes, reservoirs, or lease or rental of storage space in conjunction with the lease of an area at which business is conducted.

Sales by Self-storage Retailers

Sales tax must be added to the periodic charge for the rental of storage space in the City. The sales tax must be shown as a separate distinct item. Self-storage retailers must also collect sales tax on the purchase price paid for other tangible personal property sold or rented such as boxes, tape, locks, rope, wrapping & packing materials, labeling supplies, and vehicle rentals.

In the event that personal property stored in a rental unit is seized and sold at auction to satisfy the indebtedness of the renter, sales tax would apply to the selling price of such property provided that the sale was held within the City.

Purchases by Self-storage Retailers

Self-storage retailers must pay City sales/use tax on tangible personal property and taxable services used, stored, distributed, or otherwise consumed in the City. To the extent the retailer did not pay a sufficient, legally-imposed sales/use tax to the City or another municipality at the time of purchase, a use tax must be reported and paid directly to the City on line 8 of the periodic City sales/use tax return. Common examples of property and services subject to sales/use tax in the self-storage industry include, but are not limited to:

- ❖ **Repair Materials** – Materials used in small, time-and-materials repair jobs are subject to City sales/use tax. Labor to install, affix, or repair tangible personal property may be excluded from the taxable purchase price if separately stated.

- ❖ **Fixed Assets** – The purchase, lease, or rental of fixed assets such as furniture, fixtures, security equipment, office equipment, computer hardware/software, landscaping, and sprinkler systems, is subject to City sales/use tax. Assets held exclusively for rental inventory, such as moving vehicles, may be purchased tax free for resale.
- ❖ **Other supplies and consumable items/services** – Office supplies, cleaning & maintenance supplies, stationary, and forms & printing.

Related Topics

[Previously Paid Sales/Use Tax.](#)

Citations

Westminster Municipal Code
§ 4-2-2. Definitions
§ 4-2-3. Rate; Imposition and Collection; Distribution
§ 4-2-5. Transactions & Items Subject to Tax.

THIS GUIDANCE IS A SUMMARY IN LAYMEN'S TERMS OF THE RELEVANT WESTMINSTER 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 WESTMINSTER MUNICIPAL CODE AND APPLICABLE RULES AND REGULATIONS. THIS GUIDE DOES NOT CONSTITUTE A CITY TAX POLICY.

Contact Us

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