

STATE OF COLORADO

TAXPAYER SERVICE DIVISION

Department of Revenue

1375 Sherman Street
Denver, Colorado 80261
(303) 238-SERV (7378)



Bill Ritter, Jr.
Governor

Roxy Huber
Executive Director

Neil Tillquist
Division Director

NORTHERN COLORADO ACTIVE 20 30 INC
3545 W 12TH ST 201
GREELEY CO 80634

ACCOUNT: 98-20845-0000 07/27/10

We have granted your organization a sales tax exemption to be used when purchasing items **exclusively** for the specific charitable activity for which the exemption has been granted. The organization's sales tax exempt status **does not apply** to the tangible personal items sold to or used by individuals. Your certificate shall follow in the mail.

For a purchase to qualify for tax-exempt status, it must be paid for **by the organization** using the organization's check or credit card. Purchases made by individuals using their own funds who will later be reimbursed by the organization **do not qualify** for exemption. A nonprofit organization must pay sales tax when purchasing tangible personal property that will later be transferred to an individual for personal use if the organization will be reimbursed for all or part of the purchase price through direct payment, donation or proceeds from games of chance. If the sales tax is not paid to the vendor (whether outside or inside of Colorado), the organization must remit the tax directly to the Department of Revenue.

Only activities that are an integral part of your charitable purpose qualify for the sales tax exemption. Therefore, organizations must pay sales tax on items such as food, books, tapes and religious materials when these items are to be sold to or consumed by individuals who pay for them directly or indirectly. The fact that proceeds from such sales are to be used for charitable purposes does not make the sale exempt from tax. In addition, activities such as conferences, retreats, and seminars are taxable when individual participants pay directly or indirectly for lodging, meals and other expenses, whether through donations, dues, registration fees, tickets or tuition.

Sincerely,
Business Tax Accounting