The *Aurora Municipal Code* imposes sales tax upon the purchase price paid for gas and electric services, and steam or other heating services.

### Usage Based Exemptions

Some taxing jurisdictions provide an exemption for domestic consumption and certain other uses such as a commercial restaurant or manufacturing consumption. The *Aurora Municipal Code* provides no such exemption. Qualifying government, and charitable organization purchases of these services are exempt in the same manner as purchases of tangible personal property and other taxable services.

### Renewable Energy

The *Aurora Municipal Code* provides no exemption for electricity generated from renewable sources nor does it provide an exemption for equipment used in generating renewable energy. Businesses installing equipment in the City to generate such electricity must pay sales/use tax on the cost of such equipment as well as collect sales tax on the price of the electricity generated and sold to customers within the City.

### Examples

1. Business A is a solar company. Business A makes agreements with property owners to install photovoltaic systems with no upfront cost. Upon installation, the property owner purchases the electricity generated by the system for the term of the agreement. At the conclusion of the agreement, Business A either removes the equipment, or sells it to the property owner for fair market value.

   Business A must register with the City and pay Aurora sales/use tax on its cost of the system. Business A must also collect sales tax on the purchase price charged to the property owner for the electricity generated by the system. If Business A sells the equipment to the property owner for fair market value, Business A must collect sales tax on the price charged to the property owner for the equipment.

2. Business B is a restaurant and bakery operating in the City of Aurora. In addition to serving meals, the restaurant bakes and packages dessert items for sale at local convenience stores.

   Business B must pay Aurora sales or use tax on all purchases of gas and electric services.

### Related Topics

- Construction – Solar Systems
- Governments & Charitable Organizations
- Special Fuels
- Use Tax

### Citations

*Aurora Municipal Code*

§ 130-31. Definitions
§ 130-33. Legislative Intent
§ 130-156. Taxable Items
§ 130-157. Items Exempt from Taxation
§ 130-160. Responsibility for payment
§ 130-161. Schedule of Taxes
§ 130-196. Levy
§ 130-199. Use tax credit

### Contact Us

For additional assistance, please contact us:

City of Aurora  
*Tax and Licensing Division*  
15151 E. Alameda Parkway Ste. 1100  
Aurora, CO 80012

**Phone:** (303) 739-7800

**E-mail address:** tax@auroragov.org

**Website:** [http://www.auroragov.org/tax](http://www.auroragov.org/tax)  
**Filing:** [http://aurorataxportal.gentaxcpc.net](http://aurorataxportal.gentaxcpc.net)  
**Licensing:** [http://www.auroragov.org/bl](http://www.auroragov.org/bl)