FYI Sales 84
Sales Tax Exemption on Beetle Wood Products

GENERAL INFORMATION
Effective July 1, 2008, products made of wood salvaged from Colorado trees that have been infested by mountain pine beetles are exempt from state sales and use tax. Effective July 1, 2012, this exemption also includes wood infested by spruce beetles. [§39-26-723, C.R.S.] This exemption will expire on June 30, 2020.

PRODUCTS THAT ARE EXEMPT
This exemption applies to products such as lumber from salvaged trees, furniture built with wood from salvaged trees, wood chips or wood pellets generated from salvaged trees, or other products made substantially with wood from salvaged trees, such as pencils.

CERTIFICATION BY WHOLESALERS
Wholesalers of products made from beetle wood must certify that the product was made from salvaged trees killed or infested in Colorado. They must ascertain this from their manufacturer or supplier and complete the Certification for Sales Tax Exemption on Pine or Spruce Beetle Wood (DR 1240). This form must be signed by the wholesaler, who should make copies to provide to retailers for their records when the retailers make tax-exempt sales of these products. A signed original should be sent to the Field Audit Section of the Department of Revenue at the address listed on the certification form.

LOCAL SALES AND USE TAX
This exemption does not apply to any state-collected city or county sales tax unless the city or county has enacted the exemption pursuant to §29-2-105(1)(d)(I)(I), C.R.S. The exemption does apply to sales and use tax for the Regional Transportation District (RTD), Scientific and Cultural District (CD), and Regional Transportation Authorities (RTA).

For detailed information about local sales rates in cities and counties where the state collects the tax, see Revenue Online, *www.Colorado.gov/RevenueOnline*, click the Business button, and see the listing under **Business***Services.* Or refer to the publication Colorado Sales/Use Tax Rates (DR 1002).