
FLORIST, GREENHOUSES AND NURSERIES

Retail Sales

A retail sale of tangible personal property in Arvada is subject to Arvada sales tax. Florists, greenhouses and nurseries who sell flowers, wreaths, plants, shrubs, roots, bulbs, trees, seeds, fertilizer, dirt, sod, tools, pots, supplies and garden accessories to final users and consumers must collect and remit sales tax on such items.

Florists, greenhouses and nurseries may also act as contractors when they plant or transplant shrubbery, young trees and similar items. In these cases, the application of sales tax may not be the same as under normal retail conditions.

Rental of Plants

Some florists, greenhouses and nurseries place plants, planters or terrariums in offices and stores on a temporary basis. Usually, there is a monthly charge for this **plant rental**. The charge is a rental charge and not a service charge so the florists, greenhouses or nurseries renting the plant must charge sales tax on the rental of the plant. The point of taxation is where the rental plant resides during the rental period.

Florist Telegraph Delivery Service

The sales and use tax regulation governing the sale of flowers through a telegraph delivery service imposes the sales tax collection responsibility upon the sending florist at their location. On all orders taken by an Arvada florist and sent to a second florist for delivery, the Arvada (sending) florist is liable for sales tax on the receipts collected from the person ordering the flowers.

If an Arvada florist receives telegraphs or telephone instructions from another florist for the delivery of flowers, the Arvada (receiving) florist is not liable for sales or use tax, since the sending florist is the one liable for collection of sales taxes.

Freight and Delivery Charges

In general, Arvada taxes freight, delivery and other transportation charges when made in connection with the taxable sale of a product if delivery is within Arvada. If there is a separate delivery charge made to a customer for delivery of flowers, wreaths, plants and similar items sold by florists, greenhouses and nurseries, the delivery charge is part of the base upon which sales tax is computed. This is true if the goods are delivered in vehicles owned and operated by the nursery, greenhouse or florist or if they are sent by common carrier, or any other method of delivery or transportation. The exception would be if delivered by United States Postal Service.

EXAMPLE

1. Mrs. Smith goes to a flower shop in Arvada and orders a flower arrangement to be delivered to her mother in Vail, Colorado. The Arvada florist uses a florist's wire service that forwards the order to a member florist in Vail. The Vail florist creates the arrangement and delivers it to Mrs. Smith's mother. The Arvada florist adds sales tax to Mrs. Smith's bill using the combined state and local sales. The Vail florist is not liable for any tax on the receipts it realizes from the transaction.
2. A florist in Arvada receives a florist's wire service order from a member florist in California for a delivery of flowers to an Arvada resident. Because the order was first received in California, the Arvada florist does not collect any Arvada sales tax on the sale.

ARVADA MUNICIPAL CODE – Chapter 98 – Taxation

Sec. 98-61 Definitions

Freight and delivery means the price paid or charges for freight and delivery services including:

- (1) Freight-in paid by retailer to obtain tangible personal property before resale which is passed on to the purchaser in the price of the property or through a separate invoice;
- (2) Charges to the purchaser for delivery where the vendor transports the property being sold or leased;
- (3) Freight and delivery charges included in the price of the property being delivered, but not including charges for US Postal Service; and
- (4) Delivery charges include both delivery and pick up of an item.

Sec. 98-66. - Property and service taxed.

There is hereby levied and there shall be collected and paid a tax in the amount stated in section 98-66 as follows:

- (1) On all sales and services taxable, including, but not limited to the following:
 - i. On freight and delivery charges (as defined in section 98-61).

RELATED TOPICS

FREIGHT, DELIVER AND TRANSPORTATION

THE ABOVE INFORMATION IS A SUMMARY IN LAYMAN'S TERMS OF THE RELEVANT ARVADA TAX LAW FOR THIS SUBJECT, INDUSTRY OR BUSINESS SEGMENT. IT IS NOT INTENDED FOR LEGAL PURPOSES TO BE SUBSTITUTED FOR THE FULL TEXT OF THE ARVADA MUNICIPAL CODE. HOWEVER, THE TAX GUIDE SHALL BE USED IN CONJUNCTION WITH THE ARVADA MUNICIPAL CODE (CHAPTER 98) IN DETERMINING TAX LIABILITY.