
FOOD

The *Arvada Municipal Code* imposes a sales tax upon the purchase price paid for tangible personal property sold at retail in the City. To the extent that a sufficient, legally-imposed sales/use tax was not paid at the time of purchase to the City or another municipality, Arvada use tax is due. While some taxing jurisdictions provide an exemption for certain food sales, such as food sold for home consumption, the Arvada Municipal Code provides no such exemption. Candy and soda continue to be subject to Arvada tax as they were prior to changes in state statute.

Qualifying wholesales or sales to governments and certified charitable organization are exempted similar to other sales of tangible personal property and taxable services. In addition to the exemptions provided for sales of other taxable items, food and certain meals are exempt from tax when purchased from qualifying retailers with Federal food stamps or funds provided by the supplemental food program for woman, infants and children (the W.I.C. program).

Water is exempt from tax only when sold by the City's water utility. This exemption does not extend, for example, to bottled water or ice sold by retailers including those providing such via home or business delivery.

Food and water sold through vending machines or other coin operated devices is subject to sales tax; however, the vendor is permitted to include the tax in the price of the items sold. All other vendors must add the tax to the price showing it as a separate and distinct item.

Purchases of food that do not include a sufficient, legally-imposed sales tax are subject to use tax and should be reported on the Arvada Sales / Use Tax Return. Meals given away without charge are also subject to use tax. There is not a special sale or use tax rate for food, meals, or water.

ARVADA MUNICIPAL CODE – Chapter 98 - Taxation

Sec. 98-61. - Definitions.

Food for home consumption means food for domestic home consumption as defined in 7 U.S.C. sec. 2012(k) (2014), as amended, for purposes of the supplemental nutrition assistance program, or any successor program, as defined in 7 U.S.C. sec. 2012(t), as amended; except that "food" does not include carbonated water marketed in containers; chewing gum; seeds and plants to grow foods; prepared salads and salad bars; packaged and unpackaged cold sandwiches; deli trays; and hot or cold beverages served in unsealed containers or cups that are vended by or through machines or non-coin-operated coin-collecting food and snack devices on behalf of a vendor. (Code 1981, § 31-36; Ord. No. 3783, § 2, 12-16-2002; Ord. No. [4317](#), §§ 1—5, 3-5-2012; Ord. No. [4548](#), § 2, 5-2-2016; Ord. No. [4596](#); § 1, 6-19-2017)

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:

d. Upon the amount paid for all meals, foods, beverages, liquors and cover charges, if any when served or furnished by any restaurant, eating house, hotel, drugstore, club, resort, caterer or at any such place at which meals, foods or drinks are sold to the public or employees. Caterers are liable for tax on the total selling price of items sold and charges for the essential services to providing the meals and beverages.

j. On the cost of meals given without charge to employees or others.

(2) On all sales of food for home consumption.

Sec. 98-70. - Exempt sales.

There shall be exempt from taxation under the provisions of this article the items of sales and services including, but not limited to the following:

(9) Additional provisions of exemption from the tax under this article:

h. All sales of food purchased with food stamps or purchased with funds provided by the special supplemental program for women, infants and children. For this exemption, "food" shall be as defined in 7 USC 2012(g).

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.