



Town of Windsor
Finance Department - Sales Tax Division

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FREQUENTLY ASKED QUESTIONS

HOW DO I FIX AN ERROR ON A PREVIOUSLY FILED TAX RETURN?

It is very important that taxpayers double check their returns for accuracy before signing the return and remitting the tax to the city. However, once in a while, after remitting a tax return, you will discover that a payment in a previous period was either underpaid or overpaid because of a mathematical error or an omission on the return. Corrections or adjustments may be made in three (3) ways: amend an original return; apply an adjustment to a future return; or submit a refund claim in writing to the Director of Finance if the refund is greater than \$50.00.

A taxpayer may apply for a refund or use a credit for overpayment within sixty (60) days after filing the original return provided the procedures outlined below are followed. In cases of overpayment, the Director of Finance will review the claim and either pay or deny the claim. If the claim is denied, the taxpayer will receive an explanation in writing of his decision. The taxpayer then has fifteen (15) days from that notice to request a hearing on the claim.

Be forewarned that a taxpayer who files multiple amended returns or multiple refund requests may be required to attend a sales tax class. Or, the account may be flagged for an immediate audit and an investigation for suspicion of evasion or avoidance of tax or for fault or fraudulent refund requests may follow.

You may find more information concerning Sales and Use Tax in the Windsor Municipal Code by logging onto our website at www.windsorgov.com and click on ***Our Government***, select ***Municipal Code***, then ***04 Revenue & Finance***. The index at the beginning of this chapter will lead you to the section you want to read.

The procedures on the following page provide instruction on how to correct errors on previously filed sales tax returns in Windsor. Check with Colorado Department of Revenue for methods to correct state filed sales tax returns.

IF YOU UNDERPAID THE TAX DUE IN ANY PERIOD, YOU MAY FILE AN AMENDED TAX RETURN:

- Make a copy of the original sales tax return for the period in error.
- Write "AMENDED RETURN" in large print at the top.
- Make your corrections "for the *difference* only".
- Re-calculate the tax due based on the *difference*.
- Issue a check for the *difference* amount.
- Attach supporting documentation.

The amount you calculated and remitted on the Original return **plus** the amount of the "*difference*" on the Amended return must equal the total net sales and the total sales tax collected for Windsor during that period. You are not allowed to take additional Vendor Fees.

IF YOU OVERPAID THE TAX IN ANY PERIOD YOU MAY APPLY THE CREDIT ON YOUR NEXT RETURN:

- Prepare and calculate your next regular sales tax return as you normally would.
- Fill in Line 12 by entering the amount you overpaid on a previous return.
- DEDUCT Line 12 from Line 11 and enter that amount on Line 13.
- Write you check for the adjusted amount due.
- Make a notation in the space provided in Schedule A noting the period in which the overpayment occurred.
- Attach supporting documentation.

YOU MAY REQUEST A REFUND FOR OVERPAYMENT IF YOUR CREDIT IS MORE THAN \$50 OR IF YOU FILE ANNUAL RETURNS BY:

- Requests must be in writing.
- Include your account number, name and address.
- Provide the contact person's name and daytime phone number.
- Explain why a refund is being requested.
- Indicate the amount of the refund.
- Attach supporting documentation.

Credits less than \$50 must be deducted on future returns unless you are an Annual Filer. If you are an Annual filer, you may not want to wait until the end of the next year to use the credit on the return in which you may write the Director and request a refund. If your overpayment was more than \$50, you may not want to wait until the next filing period to deduct it from your regular return. Please be advised however, that after receiving your refund request in writing, it may take up to three (3) business weeks to generate a payment back to you.