

## Sales/Use/Indirect:

### Colorado: Remote Seller's Food Products Sold for Human Consumption Deemed Exempt But Local Tax May Apply

*Private Letter Ruling PLR-23-003*, Colo. Dept. of Rev. (6/14/23). In a recently posted private letter ruling, the Colorado Department of Revenue held that based on the provided facts, a remote seller of food products that are pre-cooked, are packaged with an attached "FDA-approved food label," are shipped to the company's customers by a third-party, and all require further preparation to be consumed as intended, is selling "food for home consumption" rather than prepared food or food marketed for immediate consumption and thus the food products are exempt from Colorado sales and use tax under state law. However, because Colorado cities, towns, and counties are permitted to deviate from the state sales tax base with respect to certain exemptions, including Colorado's "food for home consumption" exemption, the remote seller will need to determine whether Colorado-administered local governments have adopted this exemption in calculating any Colorado local tax due. Please contact us with any questions.

**URL:** <https://tax.colorado.gov/sites/tax/files/documents/PLR-23-003.pdf>

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