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| **COLORADO DEPARTMENT OF TRANSPORTATION**  **SUBMITTAL OF NEW SPECIFICATION OR SPECIFICATION CHANGE** | | | Log No. (Assigned by Standards and Specifications Unit)  107-1-fy23 | |
| TO: Standards & Specifications Unit Project Development Branch | | FROM: Keith Wakefield, P.E. Construction Engineering Services Area Engineer  (Region, Branch or Technical Committee) | | |
| SPECIFICATION SECTION NO.  107.02 | ITEM  Applicable taxes | | | Priority  Routine  Fast |
| Reason for this new or changed specification:  Contractors working for the State of Colorado can apply for a tax exemption on state sales tax for materials permanently incorporated into the work. Currently, the spec reads the Contractors have to pay all taxes, which has led to confusion as to if they can get a tax exemption or not or if they should bid a tax exemption or not. | | | | |
| New or Revised Specification:  Revise 107.02 from:  107.02 Permits, Licenses, and Taxes. The Contractor shall procure all permits and licenses, pay all charges, fees, and taxes, and give all notices necessary and incidental to the due and lawful prosecution of the Contract.  To:  107.02 Permits, Licenses, and Taxes. The Contractor shall procure all permits and licenses, pay all charges, fees, and applicable taxes, and give all notices necessary and incidental to the due and lawful prosecution of the Contract. | | | | |
| NOTE: See Procedural Directive 513.1 for a description of appropriate specification development procedures. | | | | |

CDOT Form #1215 1/15