



Tools, Jigs, Dies, Patterns, Molds, Etc.

A person who makes and sells tools, jigs, dies, patterns, molds, and similar items to a customer for use in his manufacturing or processing, is making retail sales of the articles and is required to collect and remit the sales tax. After using such items the purchaser may resell them (as to the customer for whom he is manufacturing articles); however, such resale does not exempt the sale first described above because that customer purchased the article primarily for use and not for resale. If an article is sold to a customer after use by the seller, the sale is taxable.

Tools, jigs, dies, patterns, molds or other similar items that qualify as manufacturing machinery, parts thereof or machine tools are subject to Loveland sales tax. Molds or similar machine tools are subject to Loveland sales tax when held and used by a subcontract parts producer.

THE ABOVE INFORMATION IS A SUMMARY IN LAYMAN'S TERMS OF THE RELEVANT LOVELAND TAX LAW FOR THIS INDUSTRY OR BUSINESS SEGMENT. IT IS NOT INTENDED FOR LEGAL PURPOSES TO BE SUBSTITUTED FOR THE FULL TEXT OF THE LMTC (LOVELAND MUNICIPAL TAX CODE) AND APPLICABLE RULES AND REGULATIONS.