

The Louisville Municipal Code (LMC) imposes a sales tax on tangible personal property and certain taxable services sold at retail within the City. Items delivered outside of the City are exempt from Louisville sales tax when *all* of the following conditions are met:

- The sales are to those who reside or do business outside the City and such articles delivered are used outside the City.
- The articles purchased are delivered to the purchaser outside the City by common, contract or commercial carrier employed by the seller to effect delivery, or by the seller's vehicles or by mail, but at all time at the seller's expense.
- The seller retains full ownership and liability for all articles being delivered to the destination outside the City.

Examples

1. Denver Business A purchases a new lathe from Louisville Business B and the Denver Business A sends its company truck to pick up the lathe in Louisville. Louisville Business B should charge Louisville sales tax on the purchase price of the lathe because title of the lathe transferred in Louisville.
2. Boulder Business X purchases new warehouse shelving from Louisville Business Y. The Boulder business contracts with a third-party freight company to pick up the shelving and delivery it to their new warehouse in Longmont. Louisville Business Y should charge Louisville sales tax on the purchase price of the shelving because title of the shelving transferred in Louisville.
3. Superior Resident C purchases new outdoor furniture from Louisville Retailer D and has it delivered to their home in Superior. Louisville Retailer D should not collect Louisville sales tax on the transaction because the goods are being delivered outside of Louisville and the retailer maintains ownership of the goods until delivered.
4. The same Superior Resident C purchases other decorative accessories at the same time the outdoor furniture is purchased from Louisville Retailer D, but takes the decorative accessories home with them. Louisville Retailer D should charge Louisville sales tax on the selling price of the accessories because the ownership of the goods transferred in Louisville.

The information contained in the Tax Guide publications is intended to offer general guidance in layman's terms, for this topic, industry or business segment, and is not intended for legal purposes to be substituted for the full text of the Louisville Municipal Code rules and regulations. This guide does not constitute a city tax policy.