Occupational Privilege Tax (OPT)

Employees who meet the following criteria are subject to a mandatory Employee Occupational Privilege Tax (aka, head tax):

- Perform services in the city of Aurora in a calendar month
  - city head tax=$2 a month
  - assessed if you make $250 or more a month
- Perform services in the city and county of Denver in a calendar month
  - city head tax=$5.75 a month
  - assessed if you make $500 or more a month
- Perform services in the city of Glendale in a calendar month
  - city head tax=$5 a month
  - assessed if you make $750 or more a month

The Human Resources Management System (HRMS) will automatically withhold this tax from all employees whose position location is within the geographical limits of Aurora, Denver or Glendale, and who make the above amounts within a month.

CU as the Secondary Employer

Employees may be eligible for an head tax exemption from the city of Aurora, or the city and county of Denver if **CU is a secondary employer**.

To qualify, an employee must have a primary employer in the Aurora, or the city and county of Denver who already withholds this tax. Employees who meet this criteria may request a CU exemption from the OPT tax by filing an Occupational Privilege Tax Exemption Form [1].

The form must be renewed at the beginning of each calendar year to remain valid.

The employee must notify Employee Services of any change in taxation status that would require that CU begin withholding this tax after an exemption request has already been submitted.

CU as the Primary Employer

A CU employee for whom CU is the primary employer may request his/her secondary employer to exempt him/her from the OPT by following this procedure:

1. **Obtain the correct form.**

Aurora: Employees can download the WC/AOPT (Withholding Certificate - Aurora Occupational Privilege Tax) [2] or call the city of Aurora Tax and Licensing Division at 303-739-7057 and requesting that the form be mailed to them.

Denver: Employees may download TD 269 (Withholding Certificate ? Denver Occupational Privilege Tax) [3] or call the city and county of Denver Treasury Division ? Sales Tax at 720-865-7075 and requesting that the form be mailed to them.

Glendale: No exemption is allowed.

2. **Submit the form to Employee Services.**

   Employees mail the form to Employee Services, with a request that Employee Services complete the form as the primary employer. The request must include the employee's name, employee ID number, address and phone number. Also indicate whether the employee is an ongoing CU employee being withheld the tax each month (Employee Services will fill out sections A and B), or a CU employee terminating in mid-month (Employee Serivces will fill out sections A and C).
3. **Employee Services will return the completed form to the employee to submit.** Employee Services will complete the form and mail it back to the employee to submit to his/her secondary employer to request an exemption.

Employees who change work locations and work in more than one location (Denver, Aurora and Glendale) during the tax year will be switched to the new tax as appropriate. It is, therefore, possible for an employee to have paid tax to more than one locality during the same year.

Special Exemption:
A small number of employees whose home departments are within the geographical limits of the city of Aurora or the city and county of Denver never actually perform any services within those geographical limits. An example of this would be a professor whose home department is at Anschutz Medical Campus, but whose permanent teaching assignment is on the Boulder campus. An exemption is available for these employees and is handled through the home department payroll liaison as part of the appointment process.

Employees should not fill out the Occupational Privilege Tax Exemption Form under these circumstances. **Note**: Payroll liaisons should confirm the appropriateness with Employee Services before initiating this special exemption.

Attachments:
Video:
Images:
Groups audience:
Employee Services

Source URL: https://www.cu.edu/employee-services/business-partners-ppldrl/business-partner-resources/employee-services-procedure-60

Links:
[1] https://www.cu.edu/sites/default/files/policies/docs/Request-Exemption-City-TaxAurora.xls
[2] https://www.auroragov.org/cs/groups/public/documents/document/003616.pdf
[3] http://www.denvergov.org/Portals/571/documents/OPT%20TD%20269.pdf