

VALUE, FEES AND TAXES

Building Project Fee

The fees for a building project are primarily comprised of a Building Permit Fee, Electrical Permit Fee, Plumbing Permit Fee, Mechanical Permit Fee, Plan Review Fee and Use Tax and are typically referred to collectively as the Building Project Fee

Value or Valuation

The basis for determination of the Building Project Fee is the value or valuation of the permitted project. The value of a project is the total value of all materials and labor for which a permit is issued and shall include all finish work, painting, roofing, electrical, plumbing, heating, air conditioning, elevators, fire extinguishing systems, and any other permanent equipment.

Homeowner Value

In order to be fair and equitable in the payment of fees, similar projects should have similar values therefore to keep that level of equality there must be some compensation for the homeowner who provides the labor for a project. To achieve that level of equality the total value of a Homeowner project is calculated by taking the cost of materials times two.

Building Permit Fee

The Building Permit Fee is calculated based on the total project value including the building system, mechanical system, plumbing system, electrical system, fire protection/alarm system and other permanent systems or equipment. This fee is calculated using the Building Permit Fee Table below.

BUILDING PERMIT FEE TABLE

TOTAL VALUATION	FEES
\$1.00 - \$500	\$22.30
\$501 - \$2,000	\$22.30 for the first \$500 plus \$2.85 for each additional \$100 or fraction thereof, up to and including \$2,000
\$2,001 - \$25,000	\$65.05 for the first \$2,000 plus \$13.15 for each additional \$1,000 or fraction thereof, up to and including \$25,000
\$25,001 - \$50,000	\$367.50 for the first \$25,000 plus \$9.50 for each additional \$1,000 or fraction thereof, up to and including \$50,000
\$50,001 - \$100,000	\$605.00 for the first \$50,000 plus \$6.55 for each additional \$1,000 or fraction thereof, up to and including \$100,000
\$100,001 - \$500,000	\$932.50 for the first \$100,000 plus \$5.25 for each additional \$1,000 or fraction thereof, up to and including \$500,000
\$500,001 - \$1,000,000	\$3,032.50 for the first \$500,000 plus \$4.45 for each additional \$1,000 or fraction thereof, up to and including \$1,000,000
\$1,000,001 and up	\$5,257.50 for the first \$1,000,000 plus \$2.95 for each additional \$1,000 or fraction thereof

Example Project: Total Project Value = \$250,400

Building Permit Fee Calculation

	Calculation	Fee
Total Project Value	\$250,400.00	
Fee for first \$100,000 (from table)	- \$100,000.00	\$932.50
Difference between \$250,400.00 and \$100,000.00	\$150,400.00	
151 thousands or fraction of a thousand in 150,400		
151 multiplied by \$5.25 (from table)	151 * \$5.25	<u>\$792.75</u>
Total Building Permit Fee	\$932.50 + \$792.75 =	\$1725.25

Plan Review Fee

The plan review fee is the fee charged for reviewing the plans for conformance to the provisions of the adopted building code. This fee is only charged on Commercial Projects and New Residential projects. This fee is calculated by taking the Total Building Permit Fee times 65%.

Example:

Plan Review Fee Calculation

	Calculation	Fee
Building Permit Fee	\$1725.25	
Permit fee times 65%	\$1725.25 * .65 =	\$1121.41

Electrical, Plumbing, and Mechanical Permit Fees

Each of these fees are calculated independently using the value for each of these systems. Electrical, Plumbing and Mechanical Permit fees are calculated using the following fee table.

MISCELLANEOUS PERMIT FEE TABLE¹

TOTAL VALUATION	FEES
\$0 - \$1,000	\$30.00
\$1001 and up	\$30.00 for the first \$1,000 plus \$10.00 for each additional \$1,000 or fraction thereof

¹ Electrical, Plumbing and Mechanical permit fees for New Residential projects use a flat fee. Please call the Building Inspection Division 303-538-7250 for more information.

Example: In the example project above, the electrical system value is \$9800.00, the plumbing system value is \$3600.00 and the mechanical system value is \$4000.00.

Electrical Permit Fee Calculation

	Calculation	Fee
Electrical Permit Valuation	\$9,800.00	
Fee for the First \$1,000.00	\$1,000.00	\$30.00
Difference between \$9,800.00 and \$1,000.00	\$8,800.00	
9 thousands or fraction of a thousand in 8,800		
9 multiplied by \$10.00 (from table)	9 * \$10.00	<u>\$90.00</u>
Total Electrical Permit Fee	\$30.00 + \$90.00 =	\$120.00

Plumbing Permit Fee Calculation

	Calculation	Fee
Plumbing Permit Valuation	\$3,600.00	
Fee for the First \$1,000.00	\$1,000.00	\$30.00
Difference between \$3,600.00 and \$1,000.00	\$2,600.00	
3 thousands or fraction of a thousand in 2,600		
3 multiplied by \$10.00 (from table)	3 * \$10.00	<u>\$30.00</u>
Total Plumbing Permit Fee	\$30.00 + \$30.00 =	\$60.00

Mechanical Permit Fee Calculation

	Calculation	Fee
Mechanical Permit Valuation	\$4,000.00	
Fee for the First \$1,000.00	\$1,000.00	\$30.00
Difference between \$4,000.00 and \$1,000.00	\$3,000.00	
3 thousands or fraction of a thousand in 3,000		
3 multiplied by \$10.00 (from table)	3 * \$10.00	<u>\$30.00</u>
Total Mechanical Permit Fee	\$30.00 + \$30.00 =	\$60.00

Use Tax

Whenever a building permit is required for a project the City Use Tax is collected on the total material cost for that project. The Use Tax is calculated at 3.75% of the material cost and is collected at the time of permit issuance.

Example: Material Cost for above project

Use Tax Calculation

	Calculation	Fee
Total Material Cost	\$130,000.00	
Material Cost times the tax rate 3.75%	\$130,000.00 * 3.75%	<u>\$4875.00</u>
Total Use Tax		\$4875.00

When you purchase your building permit you have pre-paid your use tax. In order to avoid overpaying tax, please follow these directions:

Contractors:

Provide your suppliers with a copy of your permit when you purchase building materials. If you provide the supplier with your permit, the supplier should not charge you any City Sales Tax on your purchase. Make sure to provide your subcontractors with a copy of the building permit so they can use it when they purchase their materials.

Homeowners:

Keep a copy of your permit with you and use it when you purchase building materials for your project. If you present your permit when you purchase your building materials, the store or vendor should not charge you city sales tax on your purchase. The building permit should only be used to purchase building materials, not tools or other supplies.

If you have any questions on building use tax, City staff are available during business hours at 303-538-7400.

The Totals

We have seen that the Building Project Fee is the sum of several different calculations all based on the same value or valuation. In our Example the Total Value of the project is \$250,400.00. The following table will pull together the fees we have calculated and provide a Total Building Project Fee.

Total Project Value	\$250,400.00
Building Permit Fee	\$1725.25
Plan Review Fee	\$1121.41
Electrical Permit Fee	\$120.00
Plumbing Permit Fee	\$60.00
Mechanical Permit Fee	\$60.00
Use Tax	<u>\$4,875.00</u>
Total Building Project Fee	\$7,961.66

Miscellaneous Projects

The fees for miscellaneous projects such as Plumbing (water heater, gas line), Mechanical (AC, Furnace), Electrical (panel, wiring), Roofing, Siding, Driveways, and Fences are based on the value of the project and calculated using the Miscellaneous Permit Fee Table above.

Please note that different permit types may have specific additional fees that have not been included in this information. For that reason we ask that you only use this information to understand the process and to estimate your Building Project Fee. Once a permit is approved and ready to issue a Building Division Staff Member will contact you to let you know that the plans have been approved, the permit is ready to pick up and the total fee for the permit.

Please contact the Building Inspection Division at 303-538-7250 if you have any questions regarding valuation, fees or use tax.