



# Arizona Department of Revenue

## TPT Newsletter

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[March 2022](#)

## Transaction Privilege Tax Changes and News

### SPRING CLEANING TPT REMINDER

Seven steps to consider in cleaning up your accounts

Looking ahead to spring, many go about the rituals of spring cleaning by opening windows and doors to let the winter dust and dirt out. As a part of the spring cleaning process, here are seven taxpayer reminder areas to consider for spring cleaning transaction privilege tax (TPT) accounts:

1. Mailing Address: Maintain a current mailing address on your transaction privilege and use tax licenses, as well as your corporate and withholding accounts.
2. Locations: Add new and/or close unused locations for TPT licenses. Failure to close a location can result in license fees when renewing.
3. Existing TPT Licenses: Cancel or close an entire existing TPT license. Failure to close your TPT license can result in penalties for not renewing.
4. Closing Account: Close an account for withholding or TPT license.
5. DBA Changes: Make changes to "Doing Business As" (DBA) name or the business mailing.
6. New Additions: Add new reporting jurisdiction's, new business codes, or business or rental locations.
7. Corporate Officer or Owner: Businesses should keep their owner/officer information current, as this is how ADOR representatives authorize callers.

To make these changes, business taxpayers log into their AZTaxes account, click on "View" in the "Actions" column on the "Business List" page and click on "Account Update." Owner/officer changes are submitted through the [Business Account Update](#) form.

Among your "housekeeping" responsibilities during this spring cleaning season, consider these updates as a worthwhile investment of your time and effort to organize, increase productivity and get a sense of accomplishment that your accounts are up to date. There is no time like the present, why not get started today?

### TRANSACTION PRIVILEGE TAX PUBLIC COMMENT

Public comment is being accepted on the draft ruling replacing TPR 95-11 and addressing the statutory changes to TPT as imposed on transactions occurring on Native American reservations. The [comment period](#) is open until March 30, 2022.

See [Arizona Transaction Privilege Tax Ruling TPR ReplaceTPR 95-11 DRAFT \(PDF\)](#)

### NEW TUTORIAL - ADDING A LOCATION

Newly created step-by-step resource to assist taxpayers with adding a new location to their business license profile using AZTaxes.gov. See [Adding a Location to Your Business Profile using AZTaxes.gov \(PDF\)](#).



(602) 255-3381 or toll-free at (800) 352-4090



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### FEEDBACK OPPORTUNITIES

- **\*NEW\* Taxpayer Correspondence Response Time Survey:** The Arizona Department of Revenue is continuously improving its efforts to provide excellent customer service to our taxpayers. Please provide an evaluation of your customer experience through [this form](#).
- ADOR accepts feedback on rulings, procedures in an ongoing effort to engage with and inform the public of state and local taxes. For additional details, visit <https://azdor.gov/legal-research/public-comment-rulings-procedures-and-other-documents>.

### SPECIAL EVENTS AND TPT

Arizona is well known for its year-round events, including farmer's markets, festivals, fairs, craft shows, and rodeos. All individuals and businesses making sales, including selling crafts, are required by the Arizona Department of Revenue to be licensed and responsible for TPT. This is required even if selling only one time per year at special events. The Arizona Department of Revenue (ADOR) is reminding those who host these events and the sellers on site with their products to consider potential tax compliance requirements for these events.

Please visit [www.AZTaxes.gov](http://www.AZTaxes.gov) to apply for a TPT license online.

### COMMON TPT FILING ERRORS

ADOR wants businesses to be successful when filing their business' transaction privilege tax returns. The main reason TPT paper returns do not process correctly is that they are filed by paper! Filing online at AZTaxes.gov reduces the chance for errors because most of the information included on your return is pre-populated for you based on your TPT license information. If you must file by paper and have an annual waiver in place, let's make sure to file appropriately.

Watch the [Common Errors video](#) to learn some of the top reasons returns do not process correctly to your TPT account and how they can be avoided.

For more helpful tips and error explanations, see the [Notice and Correspondence Resource Center](#).

### FILING FACTS

- If your primary user email no longer exists, you will need to register as a new user for AZTaxes. ADOR recommends this be an officer/owner of the business. Instructions on registering a new user is located [here](#). Once registered, you will need to complete a Business Account Update to change the primary user to the new user account.
- For a list of deduction codes, see this [list](#). Make sure you are claiming the correct deduction codes on your TPT return.
- Remember to click "Submit" when submitting a TPT return on AZTaxes. Clicking "Save" does not submit your return.

### TAX CHANGES

**City of Sedona** - Effective date of March 1, 2028.

On November 9, 2021, the City of Sedona passed Ordinance 2021-09, amending sections of the City Tax Code. The transaction privilege tax is permanently increased to three and one-half percent (3.5%) effective March 1, 2028 when the temporary increase was set to expire.

The (3.5%) affects the following business classifications:

Amusement **(012)**; Communications **(005)**; Contracting - Prime **(015)**; Contracting - Speculative Builders **(016)**; Contracting - Owner Builder **(037)**; Commercial Rental and Leasing **(213)**; Hotels **(044)**; Hotel/Motel (Additional Tax) **(144)**; Job Printing **(010)**; Manufactured Buildings **(027)**; MRR Amount **(315)**; Publication **(009)**; Rental Leasing &



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Licensing for Use of TPP (214); Restaurant and Bars (011); Retail Sales (017); Timbering and Other Extraction (020); Transporting (006); Utilities (004).

**Town of Taylor** - Effective date of April 1, 2022.

On January 6, 2022, the Town of Taylor passed and adopted Ordinance O2022-01, which will increase the transaction privilege tax rate from 2% to 3%. Model Option 15 is withdrawn, imposing Use Tax at a rate of 3%. Telecommunications and Utilities rates are also increased from 0% to 3%. In addition, Local Option DD is repealed, removing the cable television deduction and removing Local Option B to conform to MCTC changes which were approved by the Municipal Tax Code Commission on April 1, 2019.

The (3.0%) affects the following business classifications:

Advertisement (018), Amusement (012); Contracting - Prime (015); Contracting - Speculative Builders (016); Contracting - Owner Builder (037); Hotels (044); Hotel/Motel (Additional Tax) (144); Job Printing (010); Manufactured Buildings (027); MRRR Amount (315); Publication (009); Rental Leasing & Licensing for Use of TPP (214); Restaurant and Bars (011); Retail Sales (017); Retail Sales Food for Home Consumption (062); Telecommunication Services (005); Timbering and Other Extraction (020); Transporting (006); Use Tax Purchases (029); Use Tax From Inventory (030); Utilities (004).

**Marijuana Rates:**

Adult Use Marijuana Restaurant (421); Adult Use Marijuana Retail Sales (420); Medical Marijuana Restaurant (221); Medical Marijuana Retail Sales (203); Retail Sales (Accessories and Ancillary Products) (017); Use Tax Purchases (029); Use Tax From Inventory (030).

**Out-of-State Seller Rates:**

Marketplace Facilitated or Remote Retail Sales (605); Marketplace Facilitators in Arizona Third Party Sales Food For Home Consumption (606); Marketplace Facilitators in Arizona Retail Sales (017); Marketplace Facilitators in Arizona Retail Sales Food for Home Consumption (062); Marketplace Facilitators in Arizona Third Party Sales (605); Retail Sales Food for Home Consumption (606).

## DUE DATE REMINDERS

### TPT Filing Frequency and Due Dates\*- Monthly

TPT filers are reminded of the following **February** TPT filing deadlines:

- **March 21** - TPT return due date
- **March 30** - Paper returns must be received by ADOR by 5 p.m. on this date
- **March 31** - Electronic returns must be received by ADOR by 5 p.m. on this date

\*The electronic due date for TPT return is dependent on the return and payment being timely and filed electronically. **It is highly encouraged to pay three business days prior to the last business day of the month (March 29) to ensure your payment is accepted and processed into ADOR systems.**

## EDUCATION, TUTORIALS AND TRAINING

All ADOR workshops are free of charge. Below are upcoming options available to taxpayers. To register or access online workshops, tutorials and resources, visit [azdor.gov/taxpayer-education](http://azdor.gov/taxpayer-education).

### WORKSHOPS

#### Business Tax Basics - (In-Person)

Town of Gilbert  
Gilbert Public Safety Building - Amphitheater  
Tuesday, March 22, 2022  
9:00 a.m. - noon



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### **Business Tax Basics - (Via WebEx)**

Wednesday, March 23, 2022

1:00 p.m. - 4:00 p.m.

Wednesday, April 6, 2022

9:00 a.m. - noon

### **AZTaxes Workshop - (Via WebEx)**

Wednesday, March 23, 2022

9:00 a.m. - noon

### **Property Management Company Workshop - (Via WebEx)**

These workshops are offered as a series and it is recommended to take them in order. Space in each class is limited so visit the [Taxpayer Education web page](#) to sign up today.

Workshop 3: File, Pay, Amend & More

Wednesday, March 16, 2022

1:00 p.m. - 2:30 p.m.

Workshop 1: Licensing & Power of Attorney

Monday, April 11, 2022

1:00 p.m. - 2:30 p.m.

Workshop 2: Engaging, Disengaging & More

Tuesday, April 12, 2022

1:00 p.m. - 2:30 p.m.

Workshop 3: File, Pay, Amend & More

Wednesday, April 13, 2022

1:00 p.m. - 2:30 p.m.

### **Property Owner Basics Workshop - (In-Person)**

Town of Gilbert

Gilbert Public Safety Building - Amphitheater

Tuesday, March 22, 2022

1:00 p.m. - 4:00 p.m.

### **Marijuana Taxation Workshop - (Via WebEx)**

Wednesday, March 30, 2022

9:00 a.m. - noon

**ON-DEMAND TAX EDUCATION TUTORIALS:** Please visit <https://azdor.gov/taxpayer-education/tpt-tutorials>.

