



Arizona Department of Revenue

TPT Newsletter

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[October 2022](#)

Transaction Privilege Tax Changes and News

UPDATE YOUR TPT ACCOUNT NOW

Did you close a location or change the mailing address of your business?

Renewal season is coming and businesses should submit any necessary updates before November to ensure their account is in good standing and for a smooth renewal process. If the business or a location is closed, the license must be canceled or the location removed to avoid renewal requirements, as well as applicable fees and penalties. Licenses that are not renewed will not be canceled.

Taxpayers can watch the [Business Account update](#) tutorial to learn how to properly complete the paper form.

GET READY FOR TPT RENEWALS

The Arizona Department of Revenue (ADOR) plans to mail renewal letters to business owners next month advising them to renew their Arizona Transaction Privilege Tax (TPT) License before January 1. Penalties will apply to late renewals.

Businesses are encouraged to update and verify their account information annually, to prevent unnecessary fees and penalties. [AZTaxes.gov](#) enables registered businesses to update their accounts at any time. An e-signature PIN is required to make changes.

ADOR recommends that taxpayers enroll now on the [AZTaxes.gov website](#) for easier renewals and faster processing. State law requires taxpayers with multiple business locations to renew their TPT licenses electronically.

Businesses should keep their owner/officer information current, as this is how ADOR representatives authorize callers. Owner/officer changes are submitted through the [Business Account Update](#) form.

Out-of-state businesses without a physical presence in Arizona must renew their TPT licenses if they have more than \$100,000 in sales to Arizona customers in the current or prior calendar year.

Marijuana *excise* tax licenses are not required to renew, but marijuana *TPT* licenses must renew each year.

PROPERTY MANAGEMENT COMPANIES

All owners of taxable property engaging the service of a property management company (PMC) are required to obtain a TPT and use tax license, regardless of the owner engaging a property manager or other broker to oversee the owner's business activity, including filing tax returns on behalf of the owner. A PMC must obtain a successful PMC registration to have access to the AZTaxes.gov Residential Rental E-Solution for PMCs.

ADOR created a [PMC Checklist](#) to assist with onboarding and offboarding property owners. Additionally, PMC needing step-by-step instructions for filing and paying can click [here](#). (Download and open in Acrobat or PDF reader, not in a web browser).

For more information and resources on property management companies, see [here](#).



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



[www.azdor.gov](#)



APPLY | FILE | PAY



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DEDUCTION CODES

The transaction privilege tax deduction codes are used in Schedule A of Forms [TPT-2](#) and [TPT-EZ](#) to deduct income exempt or excluded from tax, as authorized by [Arizona statute](#). The following laws have been enacted adding or updating these deduction codes.

A.R.S. § 42-5061(A)(14)(b) added a new deduction for heavy vehicles, semi trailers, and trailers sold to nonresidents and used in interstate commerce. Use deduction code - 810.

A.R.S. § 42-5075(B)(21) added a new deduction for the installation of containment structures. Use deduction code - 811.

A.R.S. § 42-5061(B)(14) added off-highway vehicles as exempt agricultural equipment. To qualify, it must be modified to function as a tractor, or other farm implement, and used in commercial agricultural production. Use existing deduction code for agricultural equipment - 585.

For a list of deduction codes, see: <https://azdor.gov/transaction-privilege-tax/deduction-codes>. Make sure you are claiming the correct deduction codes on your TPT return.

The following links may provide answers to general questions:

Transaction Privilege Tax (Sales)

- [Contracting Guidelines and Forms](#)
- [Online Lodging Marketplace](#)
- [Nonprofits](#)
- [Vehicle Sales](#)
- [Marijuana](#)
- [Remote Sellers](#)
- [Peer to Peer Car Rental](#)

Questions? Contact AskTaxPolicy@azdor.gov (please include a name, phone number, and a detailed description of your question).

TPT FILING FACTS

- The percentage of filing errors increases by 50% when filing on paper. For quick, simple, and accurate filing, file online.
- If you file your taxes quarterly or annually, you are exempt from filing a monthly return.
- The taxpayer information box must be filled out when mailing a paper return.
- 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.
- Remember to click "Submit" when submitting a TPT return on AZTaxes. Clicking "Save" does not submit your return.

COMMON TPT FILING ERRORS

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.

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](#).



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TAX CHANGES

City of Casa Grande - Effective date of December 1, 2022.

The Mayor and City Council of the City of Casa Grande passed and adopted Ordinance 1397.08.31 on September 6, 2022, which increases the additional tax on transient lodging tax from two percent (2.0%) to five percent (5.0%).

The (5.0%) affects the following business classifications:
Hotel/Motel (Additional Tax) **(144)**.

Town of Marana - Effective date of December 1, 2022.

On September 20, 2022, the Town of Marana passed and adopted Ordinance 2022.015, which will decrease the tax rate on the sale of manufactured buildings from 2.5% to 2.0%.

The (2.0%) affects the following business classifications:
Manufactured Buildings **(027)**.

DUE DATE REMINDERS

TPT Filing Frequency and Due Dates*- Monthly and Quarterly

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

- **October 20** - TPT return due date
- **October 28** - Paper returns must be received by ADOR by 5:00 p.m. on this date
- **October 31** - Electronic returns must be received by ADOR by 5:00 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 (October 26) 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.

WORKSHOPS

Business Tax Basics - (Via WebEx)

Wednesday, October 26, 2022

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

Wednesday, November 2, 2022

9:00 a.m. - noon

Business Tax Basics - (In-Person)

Town of Gilbert

Gilbert Public Safety Building - Amphitheatre

Thursday, November 3, 2022

9:00 a.m. - noon





Property Owner Basics (In-Person)

*Town of Gilbert
Gilbert Public Safety Building - Amphitheatre
Thursday, November 3, 2022
1:00 p.m. - 4:00 p.m.*

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 1: Licensing and Power of Attorney
Monday, October 17, 2022
1:00 p.m. - 2:30 p.m.

Monday, November 7, 2022
10:00 a.m. - 11:30 a.m.

Workshop 2: Engaging, Disengaging, and More
Tuesday, October 18, 2022
1:00 p.m. - 2:30 p.m.

Tuesday, November 8, 2022
10:00 a.m. - 11:30 a.m.

Workshop 3: File, Pay, Amend, and More
Wednesday, October 19, 2022
1:00 p.m. - 2:30 p.m.

Wednesday, November 9, 2022
10:00 a.m. - 11:30 a.m.

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