



# Transaction Privilege Tax Changes and News

This publication is an informational notice for April 2018.

Customer Care: (602) 255-3381 or toll-free from area codes 520 or 928: (800) 352-4090  
[www.azdor.gov](http://www.azdor.gov) or [www.AZTaxes.gov](http://www.AZTaxes.gov)

## NEWS

### **Monthly TPT Filers: Please Submit Returns**

The Arizona Department of Revenue (ADOR) reminds monthly transaction privilege tax filers that returns are due.

Taxpayers can avoid the worry and hassle of mailing a return by using [AZTaxes.gov](http://AZTaxes.gov), which is readily available, including nights and weekends. Our online filing and paying service is free, fast and easy, and allows for payments to be scheduled up until the second to the last business day.

To be in compliance with state law, TPT taxpayers must file a return by its due date, even if no tax is due for the filing period.

State law requires taxpayers to file and pay electronically when they have multiple business locations, or a business had a total annual combined state, county and municipal TPT liability of \$20,000 or more in 2017.

### **TPT Filing Frequency**

Transaction privilege tax filing frequency is determined by the amount of a taxpayer's total estimated annual combined Arizona, county and municipal TPT liability.

- Annual - Less than \$2,000 estimated annual combined Arizona, county and municipal tax liability
- Quarterly - \$2,000 - \$8,000 estimated annual combined Arizona, county and municipal tax liability
- Monthly - More than \$8,000 estimated annual combined Arizona, county and municipal tax liability
- Seasonal - 8 months or less

Taxpayers who would like to change their filing frequency can download and complete the [Business Account Update](#) form and send to ADOR.

A request to change filing frequency will be completed in the next available filing period. Taxpayers who wish to change from monthly to quarterly can expect the change to occur the next quarter. Taxpayers who wish to change to an annual frequency can expect the change to occur in the year after the request. Taxpayers should continue to file accordingly.

For example, if a taxpayer completes a Business Account Update form in February 2018 and wishes to change from monthly to:

- a) Quarterly - this change will occur for the April – June filing period.
- b) Annual - this change will occur for the 2019 filing period.

NOTE: Currently, this function cannot be completed online.

### **DUE DATE REMINDERS**

For all taxpayers who elect not to file electronically, TPT returns must be received by the Department before 5:00 p.m. MST on or before the second to last business day of the month. If the return is received after the second to the last business day, the return is not timely regardless of the postmark date. This includes returns filed by mail or hand delivered to ADOR.

## TAX TIPS

- Remember to file your TPT return for March activity.



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- Residential rental owners can direct all TPT inquiries to [residentialrental@azdor.gov](mailto:residentialrental@azdor.gov), or by calling (602) 716-RENT (7368).
- Renew your 2018 Transaction Privilege Tax License today to avoid penalties.
- Take advantage of the Property Management Company (PMC) E-Filing Solution.
- Your AZTaxes password must contain at least one number, one letter and one special character and must be 8 to 16 characters long.
- If you closed your business, you must cancel your license to avoid fees and penalties.

## TAX CHANGES

### PINAL COUNTY

Pinal County has requested the Arizona Department of Revenue collect a transportation excise tax beginning with the reporting period starting April 1, 2018. The new tax will affect a rate change as follows:

Class Code	Description	Old Rate	New Rate (beginning 4/1/2018)
002	Non-metal Mining	3.805%	4.117%
004	Utilities	6.7%	7.2%
005	Communications	6.7%	7.2%
006	Transporting	6.7%	7.2%
007	Private Railcar	6.7%	7.2%
008	Pipelines	6.7%	7.2%
009	Publishing	6.7%	7.2%
010	Job Printing	6.7%	7.2%
011	Restaurant & Bar	6.7%	7.2%
012	Amusements	6.7%	7.2%
014	Rentals of Personal Property	6.7%	7.2%
015	Prime Contracting	6.7%	7.2%
017	Retail (see note below)	6.7%	7.2%
025	Transient Lodging (Hotel/Motel)	6.698%	7.248%
026	Use Tax-Utilities	6.1%	6.6%
049	Jet Fuel Excise Tax	3.66¢	3.965¢

**For Prime Contractors:** Any increase in the rate of tax does not apply to contracts entered into or pursuant to written bids made by prime contractors on or before Nov. 7, 2017. To qualify for the reduced rate, the prime contractor must maintain documentation to verify the date of the contract or written bid. **Gross income received from pre-existing prime contracts will be reported under Class 107.**

**For Retailers:** Effective April 1, 2018 for Pinal Country only, any retail single item portion over \$10,000 shall be taxed at 6.7 percent **using business code 367.**