



Transaction Privilege Tax Changes & News

This publication is an informational notice for November 2018

Customer Care: (602)255-3381 or toll-free from area codes 520/928: (800)352-4090

Visit us at www.AZDOR.gov or www.AZTaxes.gov

NEWS

Preparing for Transaction Privilege Tax License Renewals

Arizona Department of Revenue (ADOR) will be sending renewal letters to businesses this month to renew their 2019 Arizona transaction privilege tax (TPT) license. Every business licensed with ADOR is required to renew their Arizona TPT license, which is due Jan. 1, 2019.

Before renewing, ADOR encourages TPT taxpayers to update and verify their account information to prevent unnecessary fees and penalties. AZTaxes.gov enables registered businesses to update their accounts, but they must have an e-signature PIN to make changes.

On AZTaxes.gov, taxpayers can do the following:

- Change their mailing address on corporate, withholding and transaction privilege and use tax licenses.
- Add, edit and/or close locations for TPT licenses.
- Cancel or close an existing TPT license or single location on a TPT license.
- Close an account for withholding or TPT licenses.
- Make changes to "Doing Business As" (DBA) name or the business mailing address.
- Add a new reporting jurisdiction, new business code or business or rental location.

If the business or a location closed, the license must be canceled to avoid the requirement to renew, which may result in fees and penalties.

ADOR strongly encourages taxpayers to enroll to file and pay online via the AZTaxes.gov website for easier renewals and faster processing. Additionally, state law requires taxpayers with multiple business locations to renew their TPT license electronically.

Businesses with any questions or seek more information can visit azdor.gov or contact the the Customer Call Center at (602) 255-3381, or toll-free at (800) 352-4090.

Final TPT Filing Deadlines for 2018

The final months of 2018 are here, and the October activity filing deadline is November 20. Electronic payment must be submitted by 5 p.m. MST on November 29, and paper returns must be received by this date. Electronic returns must be received by November 30.

November's activity filing deadline is December 20. Electronic payment must be submitted by 5 p.m. MST on December 28, and paper returns must be received by this date. Electronic returns must be received by December 31.

A TPT return must be submitted even if no taxes are due. We strongly encourage taxpayers to file and pay online via AZTaxes.gov for faster processing and fewer errors.

TAX CHANGES

Huachuca City

On Sept. 13, 2018, the Town Council of Huachuca City passed Ordinance No. 2018-18, which amends Town of Huachuca City tax by increasing all TPT rates from **1.5%** to **1.9%** except for: **1) Severance - Metal Mining (tax code 019), 2) Residential Rental, Leasing & Licensing for Use (045) and 3) Commercial Rental, Leasing & Licensing for Use (213)**; all relating to Town of Huachuca City regulations specifically encompassing the licensing and registration of businesses; providing for the repeal of conflicting ordinances, and providing for severability.

Both Residential Rental, Leasing & Licensing for Use (045) and Commercial Rental, Leasing & Licensing for Use (213) will decrease from 1.5% to 1%.

Additionally, the Town of Huachuca City has removed Model Option 15 and added Local Option JJ, and will begin collecting two new taxes: **1) Use Tax Purchases (029) as 1.9% and 2) Use Tax From Inventory (030) at 1.9%.**

Effective Dec. 1, 2018, the tax codes are as follows:

Advertising (Business Code **HC 018**); Amusement (**HC 012**); Contracting – Prime (**HC 015**); Contracting –Speculative Builder (**HC 016**); Contracting – Owner Builder (**HC 037**); Feed at Wholesale (**HC 116**); Job Printing (**HC 010**); Manufactured Buildings (**HC 027**); Timbering and Other Extraction (**HC 020**); Publication (**HC 009**); Hotels (**HC 044**); Rental Occupancy (**HC 040**); Rental, Leasing & Licensing for Use of TPP (**HC 214**); Restaurants and Bars (**HC 011**); Retail Sales (**HC 017**); MRRRA Amount (**HC 315**); Communications (**HC 005**); Transporting (**HC 006**); Utilities (**HC 004**); Use Tax Purchases (**HC 029**); Use Tax from Inventory (**HC 030**).

Town of Marana

On Oct. 16, 2018, the Town Council of Marana passed Ordinance No. 2018.020, which amends the Town of Marana tax code by decreasing the rate of taxation from the existing rate of **2.5%** to a **total of 2%**. This change affects the following business classifications:

Effective Jan. 1, 2019, the tax codes are as follows:

Amusement (**MA 012**); Job Printing (**MA 010**); Manufactured Buildings (**MA 027**); Timbering and Other Extraction (**MA 020**); Publication (**MA 009**); Hotels (**MA 044**); Commercial Rental, Leasing & Licensing for Use of Real Property (**MA 213**); Rental Occupancy (**MA 040**); Rental, Leasing & Licensing for Use of Tangible Personal Property (**MA 214**); Restaurants and Bars (**MA 011**); Retail Sales (**MA 017**); MRRRA Amount (**MA 315**); Transporting (**MA 006**); Use Tax Purchases (**MA 029**); Use Tax from Inventory (**MA 030**).

The tax rate in the following business classes of the tax code of the Town of Marana will be decreasing from **4.5%** to **4%**:

- Communications (**MA 005**)
- Utilities(**MA 004**)

The tax rate in the following business classes of the tax code of the Town of Marana will not change:

- Contracting - Prime (**MA 015**)
- Contracting - Owner Builder (**MA 037**)
- Hotel/Motel (Additional Tax) (**MA 144**)
- Severance - Metal Mining (**MA 019**)

Additionally, Ordinance 2015.020 repeals Local Option V, which removes the following business classifications:

- Retail Sales - Single Item Portion over \$5,000 (**MA 357**)
- Use Tax Purchase - Single Item Portion over \$5,000 (**MA 359**)

Town of Guadalupe

On Oct. 11, 2018, the Mayor and Council of the Town of Guadalupe passed Ordinance No. O2018.02, which adopted “The 2012-2014 Amendments to the tax code of the Town of Guadalupe.” The provisions of this Ordinance conforms to the Model City Tax Code, which is controlling.

This change has an effective date of **Feb. 1, 2019**.