



Arizona Department of Revenue

TPT Newsletter

Issue 6

Arizona Department of Revenue

June 2019

NEWS

TPT General

Transaction privilege tax (TPT) is a gross receipts tax levied on businesses by the State of Arizona for the privilege of conducting business in the state. Under transaction privilege tax, the Arizona Department of Revenue (ADOR) is the single point of administration and collection of state and city taxes for all business and residential rental owners in Arizona. Businesses may register, file returns, and make tax payments via its central portal, AZTaxes.gov

Returns Without Payment

Sending returns without payment generates a bill. ADOR recommends sending returns with all applicable fees and payments to avoid receiving a bill.

LEGISLATIVE UPDATES

New TPT law for remote sellers and marketplace facilitators starting October 1, 2019

On May 31, 2019, Arizona Governor Doug Ducey signed into law, legislation requiring remote sellers and marketplace facilitators that have not been collecting transaction privilege tax (TPT) under current state law to begin filing and paying TPT in Arizona starting October 1, 2019.

- **Remote Sellers** - Under the new Arizona law, a threshold has been established for remote sellers to pay TPT if their annual gross retail sales or income from online sales into Arizona is more than \$200,000 in 2019, \$150,000 in 2020 and \$100,000 in 2021 and thereafter.
- **Marketplace Facilitators** - Starting October 1, 2019, marketplace facilitators will be required to collect and remit TPT on taxable sales in Arizona made through its platform on its behalf or for at least one remote marketplace seller if gross retail proceeds or income for that marketplace facilitator exceeds \$100,000 annually.

Businesses falling under this new legislation are asked to stand by for further guidance **before applying for a TPT license**. Visit azdor.gov/transaction-privilege-tax-tpt for more information.

ONLINE LODGING MARKETPLACE

Online lodging marketplaces (OLMs) are required to register to file and pay on all online lodging transactions with the department. An online lodging marketplace is any digital platform that provides, at a cost, an unaffiliated third party with a platform to rent lodging accommodations. Depending on the type of business, there are different reporting requirements. Click [here](#) to download the Online Lodging Marketplace Reporting Factsheet to determine the reporting requirements for each type of business. Please visit azdor.gov/transaction-privilege-tax/online-lodging-marketplace for more information on OLM guidelines, reporting transactions and exemption certificates.

UPCOMING EVENTS

June 13

Business Tax Basics Workshop
WebEx
1:00 p.m. - 3:30 p.m.

June 19

Business Tax Basics Workshop
Industrial Commission of
Arizona - Phoenix
9:00 a.m. - 12:30 p.m.

June 19

Business Tax Basics Workshop
Southern Regional Office
Tucson
9:00 a.m. - 12:00 p.m.

June 26

PMC Community Connection
WebEx
12:00 p.m. - 1:30 p.m.

June 27

Business Tax Basics Workshop
City of Glendale
8:30 a.m. - 11:30 a.m.

ADOR workshops are free of charge, and cover topics such as licensing, filing, and more. [Click here](#) to learn more about our tax workshops or to register.



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



www.azdor.gov



APPLY | FILE | PAY



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PROPERTY MANAGEMENT COMPANIES

Dedicated Resources Available for Residential Rental and Property Owners

Email

- Residential rental property owners - ResidentialRental@azdor.gov.
- Property management companies - PMCData@azdor.gov.

Phone

- ADOR's dedicated hotline of (602) 716-RENT (7368).

PMC Community Connection WebEx

The Arizona Department of Revenue invites you to attend PMC Community Connection sessions designed to promote ongoing discussion, learning and process improvements for property management companies (PMCs). PMCs are encouraged to share ongoing experiences and contribute to the continuous improvement environment. Registration is required. Click [here](#) for upcoming sessions and to read recaps from prior meetings.

Penalty Abatement Procedure for Property Management Companies

A penalty abatement procedure is now available. It is applicable to property management companies (PMCs) registered with ADOR that filed TPT returns on behalf of property owners (POs) for the taxable period starting January 1, 2018 (filed February 2018) to June 30, 2019 (filed in July 2019). Click [here](#) for more information on the penalty abatement procedure and to download applicable forms.

REMINDERS

TPT Filing Frequency and Due Dates

TPT filers are reminded of the following May 2019 TPT filing deadlines:

- June 20 - TPT return due date
- June 27 - Paper returns must be received by ADOR by 5:00 p.m. on this date
- June 28 - Electronic returns must be received by ADOR by this date

Other Reminders

- **Do not staple** your return or any documents, payments or forms to your return.
- Businesses with an **annual TPT and use tax liability of \$10,000 or more** during the prior calendar year **are required to file and pay electronically.**
- Even if your business didn't make any taxable sales or purchases, **you still need to file your TPT return.**
- The [TPT and Use Tax Rate Look Up Tool](#) is a useful resource that helps TPT filers find TPT rates for any location within the state of Arizona.
- Due to periods of high call volumes during this time of year, please consider contacting the department on **Thursday's and Friday's** and if possible, **before 12 noon or after 2 p.m.**

EDUCATION, TUTORIALS AND TRAINING

ADOR makes available online tutorials on setting up AZTaxes, new user registration, understanding location codes, filing an electronic TPT return and more.

To access online tutorials and resources, visit azdor.gov/taxpayer-education.

