



Arizona Department of Revenue **TPT Newsletter**

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[July 2021](#)

Transaction Privilege Tax Changes and News

SCAM AND RANSOMWARE WARNINGS

Many believe that scammers attack mainly large-sized companies when more than half of attacks are on small and medium-sized companies. Businesses of all sizes should be alert for phishing and ransomware scams, especially given any vulnerabilities that may be present with employees working remotely.

Here are some reminders about ransomware.

- Everyone is at risk—any industry, any size of company, anywhere. When a pattern develops, the fraudsters switch tactics.
- Back up your data and systems to an off-site location.
- Secure your virtual workers with the latest security software and safe network connections, and train your staff to spot phishing.
- Create a crisis plan to be prepared so any scenario.
- Do not always give in to ransom as there is a chance of further damage and no guarantee that you will ultimately retrieve all data. Best to prepare and prevent.

GUEST CREDIT/DEBIT CARD PAYMENT OPTION

AZTaxes allows secure access to taxpayers to make individual income tax payments 24 hours a day/7 days a week. Businesses can now make a transaction privilege tax (TPT)/use tax credit or debit card payment as a Guest using the Quick Links menu on the [AZTaxes](#) homepage. Businesses need to know their license number and business mailing zip code.

Businesses are no longer required to log in to their AZTaxes account to make a quick payment. Please note: Only registered business users can make an e-check payment. Service charges may apply.

TAX CHANGES

Retail Taxable Sales Update

On May 31, 2019, Arizona Governor Doug Ducey signed House Bill 2757 into law. As part of this legislation, cities must comply with the state's retail classification.

The following retail sales are no longer taxable after June 30, 2021:

- Sale of propagative materials for use in commercial crop production.
- Sale of implants used as growth promotants and injectable medicine for livestock to farms.
- Sale of neat animals for breeding or production.

Be advised that other than a few exceptions (see [A.R.S. § 42-6017](#)), Arizona municipalities adopted the retail classification as outlined in [A.R.S. § 42-5061](#). Certain cities were allowed to continue to tax until June 30, 2021. Cities and towns were gradually phased in based on the population of the city/town. Cities and towns with a population of more than 50,000 were incorporated on January 1, 2020. Cities and towns with a population of 50,000 or less joined on July 1, 2021.

Click [here](#) for a chart of the exceptions. The current tax rate table is available [here](#).



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



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FILING FACTS

- **Business Code Error** - Using business codes not currently included on the TPT license. Review the tax rate table for applicable business codes at <https://azdor.gov/transaction-privilege-tax/tax-rate-table> or the TPT and Use Tax Rate Look Up tool at www.AZTaxes.gov/Home/Address.
- **Tax Rate Error** - Tax rates are missing or incorrectly entered for the return period. Check out new or archived tax rate tables for the applicable period at <https://azdor.gov/transaction-privilege-tax/tax-rate-table>.
- **Location Code Error** - Tax activity was reported using a location code not listed on the TPT license. Location information is available on the business' registered AZTaxes.gov account and on the TPT license.
- **Deduction Code Error** - Deductions listed in the Schedule A of the TPT return must be complete and must match the Transaction Detail Deductions to be allowed.

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

DUE DATE REMINDERS

TPT Filing Frequency and Due Dates*- Quarterly and Monthly

TPT filers are reminded of the following TPT filing deadlines:

- **July 20** - TPT return due date
- **July 29** - Paper returns must be received by ADOR by 5 p.m. on this date
- **July 30** - 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. The downloadable 2021 printable schedule is available at azdor.gov/transaction-privilege-tax/due-dates.

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

Automobile Dealer Business Tax Workshop (Via WebEx)

Wednesday, July 21, 2021

1 p.m. - 4 p.m.

Marijuana Taxation Workshop (Via WebEx)

Monday, July 28, 2021

1:00 p.m. - 3:30 p.m.

Business Tax Basics - (Via WebEx)

Wednesday, August 4, 2021

9 a.m. - noon

Wednesday, August 18, 2021

1 p.m. - 4 p.m.

ADOR Withholding Tax (Via WebEx)

Wednesday, August 11, 2021

1 p.m. - 4 p.m.

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



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