



Arizona Department of Revenue

TPT Newsletter

Issue 2

Arizona Department of Revenue

February 2020

NEWS

2020 TPT License Renewals

The Arizona Department of Revenue (ADOR) began sending letters to businesses to renew their 2020 TPT License in November 2019. The due date to renew a TPT license was January 2020. Failure to renew (or cancel a license) will incur penalties and/or late fees. For more information, visit <https://azdor.gov/transaction-privilege-tax/tpt-license/renewing-tpt-license>.

TPT License Cancellations

If your business closes, you **must** cancel your TPT license to avoid fees and penalties. Go to azdor.gov/transaction-privilege-tax/tpt-license/license-fees-cancellation-and-other-changes for instructions on canceling your TPT license.

TPT File and Pay Thresholds Changed January 2020

Businesses with an annual transaction privilege tax (TPT) and use tax liability of **\$5,000** or more during the prior calendar year are required to file and pay electronically starting in February 2020 for the January reporting period. For more information go to azdor.gov/news-events-notices/news/revise-threshold-tpt-electronic-filing-and-paying-goes-effect-jan-1-2020.

TPT Filing Frequency

In Arizona, TPT filing frequency is determined by the amount of estimated annual combined state, county and municipal TPT liability for the business.

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

Businesses wanting to change their filing frequency can download and complete the [Business Account Update Form](#) and mail it to the address on the form. Filing frequencies **cannot** be changed if there are delinquencies on the business account. Also:

- Requests to change filing frequency are completed during the **next available** filing period. Note: This function cannot be completed online.
- Businesses changing from **monthly** to **quarterly** filing can expect the change to occur in the next quarter. Businesses wanting to change to an **annual** frequency can expect the change to occur the year after the request is made.

Filing and Paying TPT Online

To file and pay online, a business must be registered on AZTaxes.gov and utilize Automated Clearance House (ACH) debit, e-check or credit card as a payment method to comply with electronic funds transfer (EFT) payment requirements. Visit <https://azdor.gov/transaction-privilege-tax-tpt> for details.

UPCOMING EVENTS

BUSINESS TAX BASICS WORKSHOPS

STATEWIDE (VIA-WEBEX):
Wednesday, March 11, 2020
1:00 p.m. - 4:00 p.m.

Wednesday, April 8, 2020
1:00 p.m. - 4:00 p.m.

PHOENIX AND SURROUNDING AREAS (IN-PERSON):
Wednesday, Feb. 19, 2020
Industrial Commission of Arizona, Main Lobby - 1st Floor
800 W. Washington Avenue, Phoenix, AZ 85007
9:00 a.m. - 12:00 p.m.

Thursday, Feb. 20, 2020 - **Morning Session**
Gilbert Public Safety Building - Amphitheatre
75 E. Civic Center Dr., Gilbert, AZ 85296
9:00 a.m. - 12:00 p.m.

Thursday, Feb. 20, 2020 - **Afternoon Session**
Gilbert Public Safety Building - Amphitheatre
75 E. Civic Center Dr., Gilbert, AZ 85296
1:00 p.m. - 4:00 p.m.

Thursday, Feb. 27, 2020
City of Mesa
20 E. Main Street Room 170, Mesa, AZ 85201
9:00 a.m. - 12:00 p.m.

Thursday, March 12, 2020
Palomino Library
12575 E. Via Linda, Scottsdale, AZ 85259
9:30 a.m. - 12:30 p.m.

SOUTHERN REGIONAL OFFICE (IN-PERSON):
Wednesday, Mar. 18, 2020
Arizona Department of Revenue
400 W Congress
Tucson, AZ 85701
9:00 am - 12:00 pm

Wednesday, Apr. 08, 2020
Arizona Department of Revenue
400 W Congress
Tucson, AZ 85701
9:00 a.m. - 12:00 p.m.

ADOR workshops cover topics such as licensing, filing and more. Visit azdor.gov/taxpayer-education for registration information.



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



www.azdor.gov

AZ Taxes.gov

APPLY | FILE | PAY



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E-COMMERCE COMPLIANCE AND OUTREACH (ECCO) TEAM

Remote sellers and marketplace facilitators that do not have a physical presence in Arizona and meet certain economic thresholds began filing and paying transaction privilege tax (TPT) in Arizona, October 1, 2019.

- The E-Commerce Compliance and Outreach (ECCO) team was created to assist remote sellers and marketplace facilitators with licensing and filing requirements.
- The ECCO team also assists Arizona-based businesses that may be subject to other states' remote seller and marketplace facilitator tax laws.

Frequently asked questions, requirements, resource links and other information is available on the **Out-of-State Sellers resource** page at <https://azdor.gov/transaction-privilege-tax/retail-sales-subject-tpt/out-state-sellers>.

Remote sellers, marketplace facilitators and Arizona-based businesses with questions can contact the ECCO team by phone 833-293-7253 (833-AZeSale) or email azesale@azdor.gov.

REMINDERS

TPT Filing Frequency and Due Dates - Monthly Filers

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

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

FILING YOUR RETURN

TPT deduction code listings provide the deduction code number, a description (often abbreviated) and the business codes for state and city business categories. A deduction code can often be used under both state and city business codes, but some deductions apply only to state business codes and some apply only to city business codes. Please visit <https://azdor.gov/transaction-privilege-tax/deduction-codes> for more detail.

To make deduction codes accessible to Arizona taxpayers, ADOR posts the codes in several formats, including PDF files of all state and city deduction codes.

E-filing helps the Arizona Department of Revenue deliver better, faster, more cost-effective government for Arizona. In 2019, 77% of taxpayers took advantage of the benefits of electronically filing their TPT returns. Some noted taxpayer benefits for e-filing include:

1. Faster processing
2. More secure
3. Fewer errors and miscalculations
4. The enhanced accounting credit for e-filing

While more taxpayers are filing electronically, below are some common mistakes associated with paper filing known to cause significant processing delays:

1. Incorrect information, i.e., deduction/region code
2. SSN or EIN written in place of TPT license number
3. Submitting duplicate returns
4. Inaccurate or miscalculated totals
5. Using non-black ink

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.

