



# Arizona Department of Revenue

# TPT Newsletter

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January 2022

## Transaction Privilege Tax Changes and News

### 2022 TPT LICENSE RENEWALS

A transaction privilege tax license is used for collection and remittance of state, county and city taxes. Businesses licensed with ADOR were required to renew their TPT license by January 1, 2022. If you have not already done so, visit <https://azdor.gov/transaction-privilege-tax/tpt-license/renewing-tpt-license> for details.

### THRESHOLD REMINDER

#### TPT Electronic Filing and Paying Thresholds

TPT filers with an annual total tax liability of \$500.00 or more are required to file electronically. Visit [azdor.gov/transaction-privilege-tax-tpt](https://azdor.gov/transaction-privilege-tax-tpt) for more information.

#### Economic Nexus Thresholds

Economic nexus is established if the following thresholds either were met in the previous calendar year or are met in the current year.

For a *marketplace facilitator* Arizona gross sales (before any deductions) of more than \$100,000 in sales.

For a *remote seller* Arizona gross sales (before any deductions) of:

- \$200,000 (2019)
- \$150,000 (2020)
- \$100,000 (2021 and beyond)

Visit <https://azdor.gov/transaction-privilege-tax/retail-sales-subject-tpt/out-state-sellers/economic-threshold>.

### BOND FOR CONTRACTORS

New contractors, out-of-state contractors without a principal business location in Arizona, and contractors who have displayed a history of TPT noncompliance are generally required to provide a bond to the Department to ensure payment of taxes.

The agency is continuously improving and innovating its websites to provide quick guidance to taxpayers.

The dedicated webpage for bonds offer general information on bonding requirements, licensing, exemption certificates, and frequently asked questions.

We encourage contractors to visit the [Bond for Contractor page](#).

### TAX CHANGES

#### City of Benson

On November 8, 2021, the Mayor and Council of the City of Benson passed Ordinance No. 613 amending the city tax code by adopting Local Option LL. Ordinance 613 imposes a tax on Jet Fuel sales at the rate of \$0.035 cents per gallon.



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



[www.azdor.gov](http://www.azdor.gov)



APPLY | FILE | PAY



Effective date of February 1, 2022.

The (\$0.035) affects the following business classifications:  
Jet Fuel Sales (cents per gallon) **(049)**; Jet Fuel Use Tax (cents per gallon) **(051)**.

### **City of Sedona**

On November 9, 2021, the City of Sedona passed Ordinance 2021-09, amending sections of the City Tax Code. The transaction privilege tax is permanently increased to three and one-half percent (3.5%) effective March 1, 2028 when the temporary increase was set to expire.

Effective date of March 1, 2028.

The (3.5%) affects the following business classifications:  
Amusement **(012)**; Communications **(005)**; Contracting - Prime **(015)**; Contracting - Speculative Builders **(016)**; Contracting - Owner Builder **(037)**; Commercial Rental and Leasing **(213)**; Hotels **(044)**; Hotel/Motel (Additional Tax) **(144)**; Job Printing **(010)**; Manufactured Buildings **(027)**; MRRRA Amount **(315)**; Publication **(009)**; Rental Leasing & Licensing for Use of TPP **(214)**; Restaurant and Bars **(011)**; Retail Sales **(017)**; Timbering and Other Extraction **(020)**; Transporting **(006)**; Utilities **(004)**.

## **FILING FACTS**

- Keep your account history in good standing and avoid penalties. If no longer in business, cancel your existing TPT license on [AZTaxes.gov](http://AZTaxes.gov) or submit a [Business Account Update Form](#).
- Verify and update your mailing address instantly and securely at [AZTaxes.gov](http://AZTaxes.gov).
- Remember to file your TPT return for the prior month's activity.
- A \$0 TPT return must be filed for temporarily closed businesses and residential rental property owners with no sales/ or tax due. Go to [azdor.gov/transaction-privilege-tax-tpt](http://azdor.gov/transaction-privilege-tax-tpt) for more information.
- The tax rate look up tool on AZTaxes.gov is a useful tool for TPT filers in helping them find the TPT rates for any location within the state of Arizona.

## **COMMON ERRORS**

- Sending in copies or duplicate returns can cause rework and delay processing.
- Filling out the form incorrectly, for example, entering SSN or EIN instead of their TPT license number.
- Wrong or invalid business or region codes.
- Reporting is different than what is calculated and net taxable reported is greater than the total tax due.
- Using a pencil, colored ink or sending photocopies can cause data entry delays.

## **DUE DATE REMINDERS**

### **TPT Filing Frequency and Due Dates\*- Monthly, Quarterly, Annual**

The downloadable 2022 printable schedule is available at [azdor.gov/transaction-privilege-tax/due-dates](http://azdor.gov/transaction-privilege-tax/due-dates).

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

- **January 20** - TPT return due date
- **January 28** - Paper returns must be received by ADOR by 5 p.m. on this date
- **January 31** - 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.





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## **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](https://azdor.gov/taxpayer-education).

### **WORKSHOPS**

#### **Business Tax Basics - (Via WebEx)**

*Wednesday, January 19, 2022*

*1:00 p.m. - 4:00 p.m.*

*Wednesday, February 9, 2022*

*9:00 a.m. - noon*

*Wednesday, February 23, 2022*

*1:00 p.m. - 4:00 p.m.*

#### **Withholding Tax for Business Owners and Payroll Service Providers - (Via WebEx)**

*Thursday, January 20, 2022*

*9:00 a.m. - noon*

#### **Automobile Dealer Business Tax Workshop - (Via WebEx)**

*Tuesday, February 8, 2022*

*9:00 a.m. - noon*

#### **AZTaxes Workshop - (Via WebEx)**

*Tuesday, February 15, 2022*

*1:00 p.m. - 2:30 p.m.*

*Wednesday, February 16, 2022*

*1:00 p.m. - 2:30 p.m.*

#### **Property Management Company Workshop - (Via WebEx)**

These workshops are offered as a series and it is recommended to take them in order. Space in each class is limited so visit the [Taxpayer Education web page](#) to sign up today.

Workshop 1: Licensing & Power of Attorney

*Monday, February 14, 2022*

*1:00 p.m. - 2:30 p.m.*

Workshop 2: Engaging, Disengaging & More

*Tuesday, February 15, 2022*

*1:00 p.m. - 2:30 p.m.*

Workshop 3: File, Pay, Amend & More

*Wednesday, February 16, 2022*

*1:00 p.m. - 2:30 p.m.*





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**NEW! Property Owner Basics Workshop - (Via WebEx)**

*Wednesday, February 2, 2022*

*9:00 a.m. - noon*

*Thursday, February 17, 2022*

*9:00 a.m. - noon*

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

