



Arizona Department of Revenue

TPT Newsletter

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[March 2023](#)

Transaction Privilege Tax Changes and News

SPRING TPT REMINDER

Seven steps to consider in cleaning up your accounts

Springtime is nearly here, a time that many go about the rituals of spring cleaning; tidying up and opening windows and doors to let the winter dust and dirt out. As a part of the spring cleaning process, here are seven taxpayer reminder areas to consider for spring cleaning your transaction privilege tax (TPT) accounts:

1. Mailing Address: Maintain a current mailing address on your transaction privilege and use tax licenses, as well as your corporate and withholding accounts (only for correspondence delivery).
2. Locations: Add new and/or close unused locations for TPT licenses. Failure to close a location can result in license fees when renewing. (If you moved locations, you must close the prior location and add the new location).
3. Existing TPT Licenses: Cancel or close an existing unused TPT license. Failure to close your TPT license can result in penalties for not renewing.
4. Closing Account: Close an account for withholding or TPT license.
5. DBA Changes: Make changes to "Doing Business As" (DBA) name.
6. New Additions: Add new reporting jurisdictions, new business codes, or business or rental locations.
7. Corporate Officer or Owner: Businesses should keep their owner/officer information current, as this is how ADOR representatives authorize callers.

To make these changes, business taxpayers log into their AZTaxes account, click on "View" in the "Actions" column on the "Business List" page and click on "Account Update." Owner/officer changes are submitted through the [Business Account Update](#) form.

Among your "housekeeping" responsibilities during this spring cleaning season, consider these updates as a worthwhile investment of your time and effort to organize, increase productivity and get a sense of accomplishment that your accounts are up to date. There is no time like the present, why not get started today?

RENEW 2023 TPT LICENSES NOW

A transaction privilege tax license is used for collecting and remitting state, county, and city taxes. Businesses licensed with the Arizona Department of Revenue (ADOR) were required to renew their TPT license by January 1, 2023.

If your business has not renewed your TPT license for 2023, ADOR will be sending you an automatic renewal billing letter soon. This renewal letter indicates if the taxpayer has overdue renewal fees. Businesses will receive one renewal notice per license from ADOR, regardless of where the business is located.

Businesses should act now to avoid penalties and delays receiving their TPT License.

Once a business has renewed their TPT license and paid the license in full, the information is validated and the new TPT license certificates are generated to be sent to the mailing address on file with ADOR.



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



www.azdor.gov



APPLY | FILE | PAY



- To renew your license, go to www.AZTaxes.gov.
- Log in using your username and password.
- Click “License Renewal” in the ‘Action’ section of your Business List or select “License Renewal” on the left-hand navigation bar. (You will need the pertinent information for renewal, any changes, payment information, and your e-signature PIN.)

If you do not see these options, you have not linked your account to your TPT license, the primary user has not given you access to renew the license, or the business has already renewed the license. See [AZTaxes User Access](#) for more information on primary and delegate users. For more information, visit azdor.gov/transaction-privilege-tax/tpt-license/renewing-tpt-license.

HOW TO LINK EXISTING TPT LICENSE NUMBER TO THE NEW USER ACCOUNT

The Department encourages businesses to license their business through AZTaxes for quicker registration and processing of their application, along with streamlined filing and paying transaction privilege and withholding taxes.

Apply for a New License

When applying through AZTaxes, the first step is creating an account (user account) and applying for a license. The steps to create an account are as follows:

1. Go to www.AZTaxes.gov.
2. Click on “Enroll to File and Pay Online” under Businesses.
3. Complete the required fields annotated with a red asterisk.
4. Read and check the Terms of Use policy acceptance box.

Click “Register.” You will receive two emails from Noreply@azdor.gov within 24 hours. The first email will contain your username, and the second will provide a temporary password. Please check your spam folder if you do not find these emails in your inbox.

For visual instructions to creating a user account, see: https://youtu.be/5H_X8HOBPf0.

Connecting an Existing License to User Account

If you are required to file and pay electronically but originally applied for a license by paper, you must create a user account through AZTaxes and link (or connect) the user account with the existing TPT License. Do not reapply for a license through AZTaxes if you already have a license.

Instead, you will link the license and user account. Similarly, when you open a bank account in person, they do not create an online login for you, but you create an online account and connect your bank account with your login.

For visual instructions for linking your account, see this video: <https://youtu.be/gd3BGDmYNkM>.

FILING YOUR TPT RETURN

TPT Statute requires centralized licensing and reporting of transaction privilege tax (TPT) which may mean you must file electronically. A paper Form TPT-EZ can only be used for businesses with one location and less than \$500 in annual TPT and use tax liability. Failure to comply with the electronic filing and payment requirements may result in penalties.

Adding a location or filing electronically triggers the requirement for that tax period and beyond.

We strongly encourage taxpayers to file online through the AZTaxes.gov website for faster processing and fewer errors.





TPT FOR SPECIAL EVENTS

Arizona is well known for its year-round events, including farmer's markets, festivals, fairs, craft shows, and rodeos. All individuals and businesses making sales, including selling crafts, are required by the Arizona Department of Revenue (ADOR) to be licensed and responsible for TPT. This is required even if selling only one time per year at special events. ADOR is reminding those who host these events and the sellers on site with their products to consider potential tax compliance requirements for these events.

Please visit www.AZTaxes.gov to apply for a TPT license online.

FILING FACTS

- If your primary user email no longer exists, you will need to register as a new user for AZTaxes. ADOR recommends this be an officer/owner of the business. [Review the fact sheet](#) for instructions on registering a new user. Once registered, you will need to complete a Business Account Update to change the primary user to the new user account.
- See the [Deduction Codes web page](#) for a list of deduction codes. Make sure you are claiming the correct deduction codes on your TPT return.
- Remember to click "Submit" when submitting a TPT return on AZTaxes. Clicking "Save" does not submit your return.

COMMON FILING ERRORS

ADOR wants businesses to be successful when filing their business' transaction privilege tax returns. The main reason TPT paper returns do not process correctly is that they are filed by paper! Filing online at AZTaxes.gov reduces the chance for errors because most of the information included on your return is pre-populated for you based on your TPT license information. If you must file by paper and have an annual waiver in place, let's make sure to file appropriately.

Watch the [Common Errors video](#) to learn some of the top reasons returns do not process correctly to your TPT account and how they can be avoided.

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

TAX CHANGES

City of Bisbee - *Effective date of March 1, 2023.*

On February 21, 2023, the Mayor and City Council of the City of Bisbee passed and adopted the city's November 8, 2022 election results, thereby approving the continuation of the 2014 one percent (1.0%) Transaction Privilege Tax increase from two and one-half percent (2.50%) to three and one-half percent (3.50%). No changes were made to the Transaction Privilege and Other Tax Rate Tables for this rate change.

Under Ordinance No. O-23-01, the 3.50% rate will continue until the Public Safety Personnel Retirement System (PSPRS) bond obligations of the city are paid in full or through July 1, 2048, whichever occurs first.

City of Buckeye - *Effective date of April 1, 2023.*

On January 17, 2023, the Mayor and Council of the City of Buckeye passed and adopted Ordinance No. 2-23 to remove Model Option 15, which establishes a city Use Tax. The Use Tax rate is to be established at a rate of three percent (3.0%), or at a rate of one and one tenth percent (1.10%) for single items greater than \$5,000.

Ordinance No. 2-23 also adopts Local Option JJ to exempt purchases made by the city from Use Tax, and increases the threshold from one and one-tenth percent (1.10%) on the retail sale of a single item from \$1,999.99 to \$5,000 under Local Option V.





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DUE DATE REMINDERS

TPT Filing Frequency and Due Dates*- *Monthly*

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

- **March 20** - TPT return due date
- **March 30** - Paper returns must be received by ADOR by 5:00 p.m. on this date
- **March 31** - Electronic returns must be received by ADOR by 5:00 p.m. on this date

*The electronic due date for TPT return is dependent on the return and payment being timely and filed electronically. **It is highly encouraged to pay three business days prior to the last business day of the month (March 28) to ensure your payment is accepted and processed into ADOR systems.**

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

ADOR Business Tax- (In-Person)

*ADOR Southern Regional Office
400 W. Congress, Suite 158
Tucson, AZ 85701
Thursday, March 16, 2023
9:00 a.m. - noon*

ADOR Business Tax - (Via WebEx)

*Wednesday, April 5, 2023
9:00 a.m. - noon*

Automobile Dealer Business - (Via WebEx)

*Tuesday, March 21, 2023
9:00 a.m. - noon*

ADOR Marijuana Taxation - (Via WebEx)

*Thursday, March 30, 2023
9:00 a.m. - noon*

Property Management Company - (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 and Power of Attorney

*Monday, April 10, 2023
10:00 a.m. - 11:30 a.m.*

Workshop 2: Engaging, Disengaging, and More

*Tuesday, April 11, 2023
10:00 a.m. - 11:30 a.m.*





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Workshop 3: File, Pay, Amend, and More
Wednesday, April 12, 2023
10:00 a.m. - 11:30 a.m.

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



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