



Arizona Department of Revenue

TPT Newsletter

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[May 2023](#)

Transaction Privilege Tax Changes and News

TPT 2022 ELECTRONIC ANNUAL ESTIMATED TAX PAYMENT

Annual estimated tax payment of transaction privilege, telecommunications services excise, and county excise taxes are required if:

- Combined tax liability for transaction privilege, telecommunications services excise, and county excise taxes in the *preceding* calendar year was \$4,100,000 or more, or
- If you reasonably anticipate a liability for such taxes of \$4,100,000 or more in the *current* year.

Deadline

The statutory due date for the annual estimated tax payment is June 20.

- When filed electronically, the annual estimated tax payment must be received by the department no later than Friday, June 30. However, in order for the department to receive an electronic payment by Friday, June 30, that payment must be electronically submitted no later than 5:00 p.m. MST (Mountain Standard Time) on Thursday, June 29. It is highly recommend to make a payment three business days before the end of the month to ensure your payment is accepted and processed into ADOR systems.

How do I calculate my payment?

There are two methods available to calculate your June estimated payment:

- One half of the actual tax liability from the month of May, or
- The actual tax liability from June 1 through June 15.

Electronic payments

- Taxpayers required to pay electronically may be subject to penalties for payments made by check or cash.
- To file and pay online, a business must be registered on [AZTaxes.gov](#) and use ACH debit, e-check, or credit card as a payment method to comply with electronic funds transfer (EFT) payment requirements.

TPT FILING AND PAYING

The following criteria determines which Arizona taxpayers must remit their taxes electronically:

- Withholding Tax - Any taxpayer with \$125 average quarterly liability for withholding tax during the prior tax year.
- Transaction Privilege Tax - Any taxpayer with \$500 prior tax year liability.

Penalties:

- Taxpayers required to file an electronic return will be subject to a penalty of 5% of the tax amount of payment due for filing a paper return. The minimum penalty is \$25, including filings with zero liability.
- Taxpayers required to pay electronically will be subject to a penalty of 5% of the amount of payment made by check or cash.

To file and pay online, a business must be registered on [AZTaxes.gov](#) and utilize ACH debit, e-check, or credit card as a payment method to comply with electronic funds transfer (EFT) payment requirements.



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



[www.azdor.gov](#)



APPLY | FILE | PAY



ADOR AUTO-RENEWS 2023 STATE TPT LICENSES

ADOR is sending renewal billing letters to businesses with overdue renewal fees. Renewals were due on January 1, 2023.

Taxpayers no longer have the ability to renew on AZTaxes.gov, but can still pay the liability. Prompt compliance online can save both time and money. Taxpayers who have closed their business can cancel their existing Transaction Privilege Tax (TPT) license through AZTaxes.gov or submit a [Business Account Update](#) form with a cancel effective date. This will ensure your account remains in good standing and avoids additional penalties and interest.

Keep your mailing addresses and account information up-to-date to ensure letters, notices, and billings go to the correct address. Please note, there is a unique address for all renewal forms, correspondence, and payments:

Arizona Department of Revenue
Attn: License and Registration
PO Box 29082
Phoenix, AZ 85038-9082

Renewal forms, correspondence, or payments sent to any other address will delay processing.

As a reminder, operating without proper licensing may be a class 3 misdemeanor.

For more information, visit azdor.gov/transaction-privilege-tax/tpt-license/renewing-tpt-license.

TPT FILING FACTS

- If you closed your business location indefinitely, you must cancel your license to avoid fees and penalties. Cancel your license on AZTaxes.gov or by completing a Business Account Update form.
- After three unsuccessful attempts to log in to AZTaxes, wait 30 minutes and you will be able to try again.
- File a \$0 TPT return for temporarily closed businesses and residential rental property owners with no sales/or tax due. Go to azdor.gov/transaction-privilege-tax-tpt for more information.
- Verify the city code and name of the city/town match. Also, the deduction code matches the description.
- Verify the business activity matches the business code. Also, be sure the region code and name of the region match.

TAX CHANGES

City of Show Low - Effective date of July 1, 2023.

On May 2, 2023, the Mayor and Council of the City of Show Low passed and adopted Ordinance No. 2023-02 to amend the city's tax code by removing Model Option 6, which thereby allows the city to establish a new Hotel/Motel Additional Tax at a rate of three percent (3.0%).

The (3.0%) affects the following business classifications:
Hotel/Motel (Additional Tax) **(144)**.

DUE DATE REMINDERS

TPT Filing Frequency and Due Dates*- Monthly

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

- **May 22** - TPT return due date
- **May 30** - Paper returns must be received by ADOR by 5:00 p.m. on this date
- **May 31** - Electronic returns must be received by ADOR by 5:00 p.m. on this date



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*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 (May 26) 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](https://www.azdor.gov/taxpayer-education).

WORKSHOPS

ADOR Business Tax - (In-Person)

*Town of Gilbert
50 East Civic Center Drive
Municipal Building 1, Heritage Room, Conference Room 300
Gilbert, AZ 85296
Wednesday, May 17, 2023
9:00 a.m. - noon*

*Town of Gilbert
50 East Civic Center Drive
Municipal Building 1, Heritage Room, Conference Room 300
Gilbert, AZ 85296
Wednesday, May 17, 2023
1:00 p.m. - 4:00 p.m.*

*ADOR Southern Regional Office
400 West Congress Street, Suite 158
Tucson, AZ 85701
Thursday, May 17, 2023
9:00 a.m. - noon*

ADOR Business Tax - (Via WebEx)

*Wednesday, May 17, 2023
1:00 p.m. - 4:00 p.m.*

*Wednesday, June 7, 2023
9:00 a.m. - noon*

Property Owners - (Via WebEx)

*Tuesday, May 23, 2023
9:00 a.m. - noon*

ADOR AZTaxes - (Via WebEx)

*Thursday, May 25, 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, June 12, 2023
10:00 a.m. - 11:30 a.m.

Workshop 2: Engaging, Disengaging, and More
Tuesday, June 13, 2023
10:00 a.m. - 11:30 a.m.

Workshop 3: File, Pay, Amend, and More
Wednesday, June 14, 2023
10:00 a.m. - 11:30 a.m.

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