



# Arizona Department of Revenue

# TPT Newsletter

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**August 2021**

## Transaction Privilege Tax Changes and News

### TPT ACCOUNT UPDATES

The Arizona Department of Revenue (ADOR) encourages transaction privilege tax (TPT) taxpayers to ensure their account information is up to date. [AZTaxes.gov](#) enables registered businesses to update their accounts, but they must have an e-signature PIN to make changes.

On [AZTaxes.gov](#), taxpayers can do the following:

- Change their mailing address on corporate, withholding, and transaction privilege and use tax licenses.
- Add, edit, and/or close locations for TPT licenses.
- Cancel or close an existing TPT license or single location on a TPT license.
- Close an account for withholding or TPT licenses.
- Make changes to "Doing Business As" (DBA) name or the business mailing address.
- Add a new reporting jurisdiction, business code, or business or rental location.

To update primary user, taxpayers can also download and submit a [Business Account Update Form](#) to ADOR.

### MARKETPLACE FACILITATORS AND REMOTE SELLERS

Out-of-state businesses licensed under the remote seller tax law are reminded to use Business Code 605 (Retail Classification). The tax applies to remote sellers and marketplace facilitators that have no physical presence in Arizona and meet certain economic thresholds. Visit the [Economic Threshold](#) page to see if your out-of-state business is required to license and file. An [Out-of-State Sellers](#) resource page with frequently asked questions and other resources is available.

### ARIZONA AUTOMOTIVE DEALERS LEASING SOURCING

ADOR issued Arizona Transaction Privilege Tax Ruling [TPR 20-2](#) to address conflicting sourcing provisions between the state and city statutes. TPR 20-2 ruled that the state sourcing statutes prevail where they conflict with the city statutes.

Specific to the automotive dealer industry, conflicting provisions exist between state and city statutes when sourcing motor vehicle leases for a term of 24 months or greater ("long-term leases"). State statutes provide that leases are sourced to the lessor's business location in Arizona. If the lessor does not have an Arizona business location, leases are sourced to the lessee's shipping address. However, city statutes require a long-term motor vehicle lease to be sourced to the location of the original motor vehicle dealership. This is interpreted to mean that ongoing lease payments are sourced to the original motor vehicle dealership even if the lease contract is later sold, transferred, or otherwise assigned to a third-party leasing company. TPR 20-2 mandates that the state provisions apply and long-term motor vehicle leases transferred to a third-party leasing company should be sourced following the state provisions.

Additionally, leased motor vehicles permanently moved to a location outside of Arizona and used exclusively outside of Arizona are not subject to Arizona state, county, or city tax. Please note, new leases should be sourced as described in this notice and TPR 20-2. No change is required to existing leases until they expire and are renewed.



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



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### MARIJUANA BUSINESSES

Adult use marijuana dispensaries must remit TPT and marijuana excise tax (MET) to ADOR. Marijuana establishments are liable for retail TPT and MET on adult use marijuana products immediately upon being licensed by the Arizona Department of Health Services to make such sales to Arizona consumers.

ADOR wants to provide best practices and tips to comply properly.

- For quick payments, businesses can pay TPT liability on AZTaxes.gov under the “Make a Payment” link. For excise tax, you must log into your account to make a payment.
- File and pay your excise tax with your MET-1, not with your TPT as excess tax (additional tax).
- To protect the safety for all parties involved and to expedite the process, the marijuana excise tax should be paid online via AZTaxes.gov.
- When filing an electronic MET-1, be sure that all inventories reported for this product type are reported using the same unit of measurement (i.e. grams, ounces, pounds). “Each” is not an acceptable unit of measure as “each” item contains a varying amount of THC.
- File and pay for the proper filing period and amend if a correction needs to be made.
- Businesses must file and pay beginning with the start date of their business. If you have delinquent returns, file as soon as possible to avoid further penalties.

### ADOR REOPENS THE MESA OFFICE FOR APPOINTMENT-ONLY SERVICE

ADOR reopened its East Valley location in Mesa for appointment-only services. Taxpayers can now receive in-person assistance with payments, processing TPT license applications, general TPT return, and AZTaxes.gov education and assistance.

Appointments are available Monday - Thursday from 7:30 a.m. - 5:30 p.m. (closed on Fridays) at the City of Mesa Customer Service Center, 55 N Center Street. To schedule an appointment, please contact us at (602) 716-2367 or [AZTaxHelp@azdor.gov](mailto:AZTaxHelp@azdor.gov).

Customers who need to file documents but don't need to speak with a customer service representative, can still use the drop-boxes that remain at this location.

Taxpayers can still access a variety of other customer service tools for fast and easy assistance, including the following:

- AZTaxes.gov for filing and payment of transaction privilege tax and withholding tax; and payment only for individual and corporate income tax.
- FAQs, forms, YouTube tutorials, and other resources on [azdor.gov](http://azdor.gov).
- Live Chat with ADOR staff for general questions, Monday through Friday, 7 a.m. – 6 p.m.
- Check refund status online on AZTaxes.gov by selecting “Where’s My Refund.”
- ADOR Customer Care telephone line at (602) 255-3381 or 800-352-4090, Monday through Friday, 8 a.m. – 5 p.m.

### FILING FACTS

- Check your online business registration status through AZTaxes under “Business Registration then “Check Registration Status.”
- Verify your business codes, deduction codes, location codes, and regional codes match the correct line item and description.
- ADOR recommends that the primary user for AZTaxes be an officer/owner of the business. When employees are hired or depart, it is easier to delegate access to new users. See the [AZTaxes User Access](#) page for more information.





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

### DUE DATE REMINDERS

#### **TPT Filing Frequency and Due Dates\*- Monthly**

TPT filers are reminded of the following TPT filing deadlines:

- **August 20** - TPT return due date
- **August 30** - Paper returns must be received by ADOR by 5 p.m. on this date
- **August 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. The downloadable 2021 printable schedule is available at [azdor.gov/transaction-privilege-tax/due-dates](https://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](https://azdor.gov/taxpayer-education).

#### **WORKSHOPS**

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

*Wednesday, August 18, 2021*  
1 p.m. - 4 p.m.

*Wednesday, September 1, 2021*  
9:00 a.m. - noon

*Wednesday, September 8, 2021*  
1 p.m. - 4 p.m.

##### **Business Tax Basics - (In-Person)**

*Town of Gilbert Morning Session*  
*Southeast Regional Library - Alcott Room*  
*Thursday, August 26, 2021*  
9:00 a.m. - noon

*Town of Gilbert Afternoon Session*  
*Southeast Regional Library - Alcott Room*  
*Thursday, August 26, 2021*  
1 p.m. - 4 p.m.

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

*Wednesday, September 22, 2021*  
9:00 a.m. - noon

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

