#### TPT-1 return is due the 20th day of the month following TRANSACTION PRIVILEGE, USE, AND the reporting period. SEVERANCE TAX RETURN (TPT-1) STATE LICENSE NUMBER: Arizona Department of Revenue PO BOX 29010 • PHOENIX, AZ 85038-9010 TAXPAYER IDENTIFICATION NUMBER: For assistance out-of-state or in the Phoenix area: (602) 255-2060 or ☐ EIN ☐ SSN Statewide, toll free from area codes 520 and 928: (800) 843-7196 PERIOD BEGINNING: PERIOD ENDING: **TAXPAYER INFORMATION** MID.DIY Amended ■ Multipage ☐ One-Time **DOR USE ONLY** ☐ Final Return: ■ LABELED RETURN Return (CANCEL LICENSE) Return Only Return **BUSINESS NAME** C/O **ADDRESS** POSTMARK DATE CITY STATE ZIP RECEIVED DATE ☐ Address Changed TRANSACTION DETAIL (If more reporting lines are necessary, please attach continuation pages.) (J) = (F × I) ACCOUNTING (A) BUSINESS (B) REGION (C) BUSINESS (H) (I) ACCOUNTING (D) CREDIT **DESCRIPTION** CODE CLASS **GROSS AMOUNT** DEDUCTION AMOUNT NET TAXABLE AMOUNT | TAX RATE TOTAL TAX AMOUNT **CREDIT RATE** 2 3 5 Subtotal..... TAX COMPUTATION 1 Total deductions from Schedule A ...... 1 2 Total Tax Amount (from column H) ..... 3 State excess tax collected..... 3 4 4 Other excess tax collected ...... 5 Total Tax Liability: Add lines 2, 3, and 4..... 5 6 Accounting Credit (from column J) 6 7 7 State excess tax accounting credit: Multiply line 3 by .01 ...... 8 Total Accounting Credit: Add lines 6 and 7..... 8 9 9 Net tax due line: Subtract line 8 from line 5..... 10 Penalty and interest..... 10 11 TPT estimated payments to be used..... 11 AMENDED RETURN ONLY ORIGINAL REMITTED AMOUNT 12 Total amount due this period ..... 12 13 Additional payment to be applied (for other periods)..... 13 DOR USE 14 TOTAL AMOUNT REMITTED WITH THIS RETURN ..... Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

DATE

PAID PREPARER'S SIGNATURE (OTHER THAN TAXPAYER)

PAID PREPARER'S EIN OR SSN

TAXPAYER'S SIGNATURE

### Schedule A: Deduction Detail Information

The deduction amounts that have been listed on the lines in Section II, Column E must be itemized by category for **each** Region Code and Business Class reported. The total of the amounts listed in Schedule A must equal the total of the Deduction Amounts listed on page 1. (See page 4 of the TPT-1 Instructions.)

Deduction Codes for itemizing deductions, with a paraphrased description of the deduction (or exemption), are listed at right. Some of the codes may be used for more than one business classification. Several additional Deduction Codes, as well as the statutory wording and any administrative guidance for each deduction code, are provided on the Department's web site. The actual text of the statutory deduction, exemption or exclusion is controlling for amounts taken as deductions on Form TPT-1.

If a valid state statutory deduction (or *Model City Tax Code* deduction provision) exists but is **not shown** in the listed Deduction Codes, use Deduction Code **999** for a state deduction, and use Code **888** for a city deduction.

## **SCHEDULE A**

### **Deduction Detail**

| (K)<br>REGION<br>CODE | (L)<br>BUSINESS<br>CLASS | (M)<br>DEDUCTION<br>CODE | (N)<br>DEDUCTION<br>AMOUNT |  |  |  |  |  |  |  |
|-----------------------|--------------------------|--------------------------|----------------------------|--|--|--|--|--|--|--|
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| Total Deductions      |                          |                          |                            |  |  |  |  |  |  |  |

## DEDUCTION CODES

For a listing of **all** Deduction Codes, the relevant statutory text and any administrative guidance, please go to **www.azdor.gov/Forms/TPT.aspx** and click on **"TPT-1 Deduction Codes."** 

| GENERAL DEDUCTIONS FOR SELLERS: RESALE: Sales for resale   | <b>CODE</b> 503 |
|--|-----------------|
| TAX collected or factored  | 551             |
| OTHER STATE deductions (use when specific deduction is not listed below)   | 999             |
| OTHER <i>CITY</i> deductions (use when specific deduction is not listed below)   | 888             |
| DEDUCTIONS FOR SELLERS: (Purchasers are not allowed to claim TPT deductions)  AIRCRAFT, navigational and communication instruments sold to commercial airlines or foreign governments.                               | 508             |
| BAD DEBT deduction   | 558             |
| CHEMICALS: SALES of chemicals used in certain businesses. See ARS § 42-5061(A)(39)   | 510             |
| COMPUTER DATA CENTER EQUIPMENT sold to a qualified owner, operator or qualified colocation tenant of the computer data center  | 565             |
| FOOD for home consumption sold by qualified retailer   | 506             |
| FOOD purchased with food stamps from a qualified retailer  | 513             |
| FOOD items sold to a prison, jail, or other institution under control of DOC, DPS, or Sheriff's office   | 514             |
| FOOD sales to a school district or charter school by a RESTAURANT  | 562             |
| FUEL: A retailer's SALES of vehicle fuel and aviation fuel See ARS § 42-5061(A)(22)  |                 |
| FUEL: SALES of alternative fuels used to propel a motor vehicle  | 509             |
| INTERNET ACCESS: SALES of Internet access by a telecommunications business   | 517             |
| INTERSTATE COMMERCE: Sales made in interstate commerce   | 504             |
| JOB PRINTING: Actual postage and freight expenses separately stated on invoices  | 561             |
| LIVESTOCK AND POULTRY: Sales of feed, salts, vitamins, and other additives to business   | 520             |
| LIVESTOCK AND POULTRY: Sales of growth promotant implants/injectable medicines to business   | 516             |
| LOTTERY TICKETS: A retailer's SALES of lottery tickets   | 521             |
| MACHINERY AND EQUIPMENT (M&E) — SALES of:  |                 |
| M&E used directly in manufacturing, processing, fabricating, printing, refining, or metallurgical operations.  | 522             |
| M&E used directly in mining operations   | 523             |
| M&E or transmission lines used directly in producing or transmitting electrical power  |                 |
| M&E, technology, or related supplies sold to qualified persons (See ARS § 42-5061 exemptions.)   | 525             |
| M&E used in research and development.  | 553             |
| MEDICAL EQUIPMENT, including eyeglasses, hearing aides, DME, prosthetic appliances   | 526<br>527      |
| MEMBERSHIPS (Class 12 only): Health, fitness, or private recreational establishments; Monthly or longer  MOTOR VEHICLE (MV):   | 327             |
| MV and parts sold to a motor carrier subject to the Title 28 motor carrier fee who leases the vehicle  | 528             |
| MV sold at auction to a nonresident if delivered or shipped out of state   |                 |
| MV sold to a qualified Native American   |                 |
| MV sold to a qualifying nonresident (See ARS § 42-5061 exemptions.)  |                 |
| MV: Manufacturer's cash rebate assigned by purchaser to dealer   |                 |
| MV LEASE: First month's lease payment transferred to third party leasing company   | 556             |
| PIPES OR VALVES, 4" diameter or larger to transport oil, natural/artificial gas, water, coal slurry  | 535             |
| PRESCRIPTION DRUGS or prescribed medical oxygen including equipment  | 536             |
| PRIME CONTRACTING (PC):  |                 |
| PC: 35% reduction (= Gross Receipts – Statutory Deductions × 35%)  | 502             |
| PC: Land deduction (fair market value)   | 518             |
| PC: Subcontracting income  | 550             |
| PC: Income derived from direct costs of providing architectural / engineering services   | 557             |
| PC: Development or impact fees paid to state or local government   | 560             |
| SEEDS and other propagative material sold to COMMERCIAL AGRICULTURE businesses   | 537             |
| SERVICES provided in connection with retail sales  | 549             |
| SOLAR ENERGY DEVICES sold by a registered solar retailer or prime contractor   | 538             |
| TEXTBOOKS that are required by a state university or community college   | 505             |
| TPP shipped or delivered directly to a destination outside the U.S. for use in that foreign country  | 540             |
| TPP sold to a nonresident and shipped or delivered out-of-state by the seller for use outside of Arizona   | 541             |
| TPP sold to a taxable PRIME CONTRACTOR or sub to be physically incorporated into a project or structure.   | 552<br>544      |
| TPP sold or rented to an IRS 501(C)(3) ORGANIZATION that feeds the needy and indigent for free   | 544<br>545      |
| TPP sold or rented to a QUALIFYING HEALTH CARE ORGANIZATION to be used for specified purposes  | 545<br>546      |
| TPP sold or rented to a QUALIFYING HOSPITAL  | 543             |
| U.S. GOVT: Retail sales to manufacturer, modifier, assembler or repairer if end product sold to U.S. GOVT  U.S. GOVT: Retail sales to U.S. GOVT by a manufacturer, modifier, assembler or repairer (100% deduction). |                 |
| U.S. GOVT: Other RETAIL sales directly to U.S. GOVT (TPT: 50% deduction; USE TAX: 100% deduction)  | 547<br>548      |
| WARRANTIES or service contracts  | 542             |

# TRANSACTION DETAIL (ADDITIONAL TRANSACTIONS)

| ш    | TRANSACTION DETAIL (ADDITIONAL TRANSACTIONS)  (A) (B) (C) (D) (E) (F) (G) (H) (I)  BUSINESS REGION BUSINESS CODE CLASS GROSS AMOUNT DEDUCTION AMOUNT NET TAXABLE AMOUNT TAX RATE TOTAL TAX AMOUNT CREDIT RA |                |                   |              |                  |                    | (I) | (J) = (F × I)                    |                                       |
|------|---|----------------|-------------------|--------------|------------------|--------------------|-----|----------------------------------|---------------------------------------|
| LINE | (A)<br>BUSINESS<br>DESCRIPTION  | REGION<br>CODE | BUSINESS<br>CLASS | GROSS AMOUNT | DEDUCTION AMOUNT | NET TAXABLE AMOUNT |     | (I)<br>ACCOUNTING<br>CREDIT RATE | (J) = (F × I)<br>ACCOUNTING<br>CREDIT |
| 1    |   |                |                   |              |                  |                    |     |                                  |                                       |
| 2    |   |                |                   |              |                  |                    |     |                                  |                                       |
| 3    |   |                |                   |              |                  |                    |     |                                  |                                       |
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| 9    |   |                |                   |              |                  |                    |     |                                  |                                       |
| 10   |   |                |                   |              |                  |                    |     |                                  |                                       |
| 11   |   |                |                   |              |                  |                    |     |                                  |                                       |
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| 15   |   |                |                   |              |                  |                    |     |                                  |                                       |
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| 18   |   |                |                   |              |                  |                    |     |                                  |                                       |
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| 21   |   |                |                   |              |                  |                    |     |                                  |                                       |
| 22   |   |                |                   |              |                  |                    |     |                                  |                                       |
| 23   |   |                |                   |              |                  |                    |     |                                  |                                       |
| 24   |   |                |                   |              |                  |                    |     |                                  |                                       |
| 25   |   |                |                   |              |                  |                    |     |                                  |                                       |
| 26   |   |                |                   |              |                  |                    |     |                                  |                                       |
| 27   |   |                |                   |              |                  |                    |     |                                  |                                       |
| 28   |   |                |                   |              |                  |                    |     |                                  |                                       |
| 29   |   |                |                   |              |                  |                    |     |                                  |                                       |
| 30   |   |                |                   |              |                  |                    |     |                                  |                                       |
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| 32   |   |                |                   |              |                  |                    |     |                                  |                                       |
| 33   |   |                |                   |              |                  |                    |     |                                  |                                       |
| 34   |   |                |                   |              |                  |                    |     |                                  |                                       |
| 35   |   |                |                   |              |                  |                    |     |                                  |                                       |
|      | Subtotal  |                |                   |              |                  |                    |     |                                  |                                       |