

AZTaxes Newsletter February 2014

Transaction Privilege and Use Tax (TPT) is always due on the 20th of the month.

For TPT Electronic File and Pay

- **JANUARY 2014 TPT-1 and Payment;** to be considered timely received by the last business day of the month, you must submit electronically **both** your TPT-1 and your payment, no later than 5:00pm (Mountain Standard Time) Wednesday, February 27, 2014.

For TPT Sent by Mail

- **JANUARY 2014 TPT-1 and Payment;** to be considered timely received when mailed, your TPT-1 and your payment, must be postmarked no later than Tuesday, February 25, 2014.

TAX INFORMATION AND ALERTS

OBSERVED ARIZONA HOLIDAY

Our office will be closed on Monday, February 17, 2014 in observance of Presidents Day.

2013 LEGISLATIVE SUMMARIES

You can go online at www.azdor.gov and under the category News and Announcements, click on the link for 2013 Legislative Summaries. The document contains summaries of 2013 Arizona legislation from the Fifty First Legislature – First Regular Session and First Special Session.

MODEL CITY TAX CODE

Go online at <http://modelcitytaxcode.az.gov/> to find information about City Tax Code, recent and proposed changes to the Model City Tax Code and City Tax Rates.

TOWN OF CAREFREE

Effective March 1, 2014

On December 3, 2013, the Mayor and the Town Council of the Town of Carefree passed Ordinance Number 2013-05. Ordinance 2013-05 relating to the Use Tax; amended the Town Code by creating Article VI, Use Tax. Resolution 2013-08 makes public the Ordinance and establishes a rate of three percent (**3%**).

The effective date outlined in Ordinance 2013-05 has been changed to March 1, 2014 to allow suitable time for notification and administration of the Use tax.

TOWN OF CAREFREE
Effective March 1, 2014

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Ordinance 2013-05 creates the Business Classification Class (**CA 002**) for reporting the Use Tax and establishes the rate of three percent (**3%**).

E911 Excise Tax
Effective January 1, 2014

Beginning **January 1, 2014**, prepaid wireless telecommunications retailers will be liable for remitting E911 excise tax instead of telecommunications service providers. **Laws 2012, Chapter 198 (HB2094)** established a prepaid wireless telecommunications E911 excise tax (A.R.S. §§ 42-5401 through 42-5404). The tax is 0.80% of the gross proceeds of sales or gross income from the retail sale of prepaid wireless telecommunications services. Retailers are authorized to retain 3% of the cost of the tax that they collect from their customers. The tax is to be reported under Business Class 912. Retailers should use the following formula for calculating the 3% that they may retain:

Multiply the gross receipts from retail sales of prepaid wireless telecommunications services by 3%. This amount should be taken as a deduction from the gross amount. Use deduction code 564 to report this deduction. The tax rate of .008 should be applied to the net taxable amount to arrive at the total tax amount. A sample of how a transaction would appear on a Form TPT-1 is shown below:

Gross Amount	Deduction Amount	Net taxable Amount	Tax Rate	Total Tax Amount
1000.00	30.00	970.00	.008	7.76

CITY OF SEDONA
Effective January 1, 2014

On October 8, 2013, the Mayor and the Council of the City of Sedona passed Ordinance Number 2013-07. Ordinance Number 2013-07 amends section 8-447 of the City of Sedona Tax Code by increasing the additional tax upon transient lodging from three percent (**3%**) to three and one half percent (**3.5%**), effective January 1, 2014.

With this amendment, the additional transient lodging tax rate increase will be noted on the Sedona profile page in the official version of the Model City Tax Code, effective January 1, 2014.

Limited Services Available at our East Valley Location

- The Collections unit has relocated to our main office in Phoenix. They can be reached at (602) 542-5551.

- Audit and License/Registration units will remain at the Gilbert office until further notice.
- Gilbert office does not offer taxpayer assistance for billing or other issues. Only the Tucson and Phoenix locations offer taxpayer assistance.
- Licensing, payment services and forms are still available at our Gilbert office location.

Help Us Help You by Avoiding Costly Errors

- When submitting any tax return or payment, please verify you have entered all the required account identification information and verify that the figures and information you entered are accurate.
- Complete and accurate tax returns speed processing times, reduce processing costs and avoid the need to contact you.

Arizona Transaction Privilege Tax (TPT) License Update

Changes to TPT licenses are subject to a \$12 fee per location for the state fee and any applicable city fees. There are no fees for changes to corporate account, Use Tax or Withholding registrations. Changes to following items can be requested by using the Business Account Update form available at www.azdor.gov:

- Business name
- Mailing address
- Business location
- Additional business or rental location(s) filing consolidated reports
- Corporate officer

EFT Payments

- Registered businesses can register for ACH Debit to make EFT payments.
- After you log in and select your business account, select "Business Registration" then "ACH Debit" and follow the easy directions.

Payment and Refund Status Options Are Available on AZTaxes.gov

- ACH Debit, E-Check, credit card and Visa or MasterCard branded debit cards
- Use www.AZTaxes.gov to check the status of your income tax refund
- Use "Make a Payment" option to pay your income tax

Office Locations/Drop Boxes

In a hurry? You can drop off your tax return and/or payment by using our drop box located inside just as you pass through the entrance doors. Office hours are Monday through Friday, 8:00am to 5:00pm and our locations are:

- Phoenix – 1600 W. Monroe St.
- Gilbert – 275 E. Germann Rd. Bldg. 2 Ste. 180
- Tucson – 400 W. Congress

Electronic Payment Settlement Date

In order for your electronic payment to be received timely, your electronic transaction must be submitted in advance of the cutoff time and due date:

- ACH Debit or E-Check; payments made on AZTaxes must be submitted before 5:00pm Mountain Standard Time (MST) the Arizona business day prior to the due date in order for your payment to settle the next business day. The settlement date is the date the money is debited from your bank account and credited to the Department of Revenue.
- Credit Cards; payments submitted before 5:00pm (MST) will be credited to your Department of Revenue account on the same day. Same day only applies to *credit card* payments.

Payment Arrangements

- To make payments over a period of time, contact the Office Collections Section in Phoenix at (602) 542-5551 or Tucson at (520) 628-6442. Any Revenue Officer will be able to assist you.
- Information is also available at www.azdor.gov/Collections/PaymentArrangement

Individual Income Tax

- The fastest way to get your income tax refund is to electronically file your tax return and request a direct deposit.
- Eligible individuals may qualify for tax credits. To determine if you are eligible for any federal tax credits, visit the Internal Revenue Service (IRS) website at www.irs.gov. For Arizona tax credits, resident taxpayers should review Tax Credits topic at www.azdor.gov or review the Credits section of the Individual tax Forms.
- Check on status of your income tax refund or pay your taxes using the **Where's My Refund** and **Make a Payment** features available on our website at www.AZTaxes.gov.
- Learn more about **Arizona Free File Alliance** by selecting the E-Services tab for Individuals on our website at www.azdor.gov. This program provides opportunities for eligible taxpayers to file their federal and Arizona income tax returns electronically at no cost.
- Deadline for filing your 2013 income tax return is Tuesday, **April 15, 2014**.
- VITA (Volunteer Income Tax Assistance) and AARP (American Association of Retired Persons) offer free tax preparation assistance to those who qualify. More information is available at www.211arizona.org and www.aztax-aide.org.