



Program City Transaction Privilege Tax Changes and News

This publication is an informational notice for April 2013.

STATE TEMPORARY TAX EXPIRES MAY 31, 2013

The rates below are effective June 1, 2013

(Rates in La Paz county incorporate changes in both the State and County rates)

TABLE 1		TAX RATES FOR SALES IN THESE COUNTIES												Accounting Credit Rate (STATE TAX ONLY)
Business Class	TAXABLE ACTIVITIES ^a	Cochise	Coconino	Gila	La Paz	Maricopa	Mohave	Pima	Pinal	Santa Cruz	Yavapai	Yuma	All Other Counties	
002	Mining–Nonmetal	3.437%	3.828%	3.75%	4.375%	3.562%	3.281%	3.437%	3.805%	3.75%	3.593%	3.805%	3.437%	.031%
004	Utilities	6.10%	6.725%	6.60%	7.60%	6.30%	5.85%	6.10%	6.70%	6.60%	6.35%	6.70%	6.10%	.056%
005	Communications	6.10%	6.725%	6.60%	7.60%	6.30%	5.85%	6.10%	6.70%	6.60%	6.35%	6.70%	6.10%	.056%
006	Transporting	6.10%	6.725%	6.60%	7.60%	6.30%	5.85%	6.10%	6.70%	6.60%	6.35%	6.70%	6.10%	.056%
007	Private (Rail) Car	6.10%	6.725%	6.60%	7.60%	6.30%	5.85%	6.10%	6.70%	6.60%	6.35%	6.70%	6.10%	.056%
008	Pipeline	6.10%	6.725%	6.60%	7.60%	6.30%	5.85%	6.10%	6.70%	6.60%	6.35%	6.70%	6.10%	.056%
009	Publication	6.10%	6.725%	6.60%	7.60%	6.30%	5.85%	6.10%	6.70%	6.60%	6.35%	6.70%	6.10%	.056%
010	Job Printing	6.10%	6.725%	6.60%	7.60%	6.30%	5.85%	6.10%	6.70%	6.60%	6.35%	6.70%	6.10%	.056%
011	Restaurants and Bars	6.10%	6.725%	6.60%	7.60%	6.30%	5.85%	6.10%	6.70%	6.60%	6.35%	6.70%	6.10%	.056%
012	Amusement	6.10%	6.725%	6.60%	7.60%	6.30%	5.85%	6.10%	6.70%	6.60%	6.35%	6.70%	6.10%	.056%
013	Commercial Lease	0	0	.5%	0	.5%	0	.5%	.5%	0	0	0	0	0
014	Personal Property Rental	6.10%	6.725%	6.60%	7.60%	6.30%	5.85%	6.10%	6.70%	6.60%	6.35%	6.70%	6.10%	.056%
015	Contracting–Prime	6.10%	6.725%	6.60%	7.60%	6.30%	5.85%	6.10%	6.70%	6.60%	6.35%	6.70%	6.10%	.056%
017	Retail	6.10%	6.725%	6.60%	7.60%	6.30%	5.85%	6.10%	6.70%	6.60%	6.35%	6.70%	6.10%	.056%
019	Severance–Metalliferous Mining	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	.025%
023	Recreational Vehicle Surcharge ^f	0	0	0	0	0	0	50¢	0	0	0	0	0	N/A
025	Transient Lodging ^b	6.05%	6.737%	6.60%	7.7%	7.27%	5.78%	6.05%	6.698%	6.60%	6.325%	6.698%	6.05%	.055%
026	Use Tax–Utilities	6.10%	5.725%	5.60%	6.10%	5.60%	5.60%	6.10%	6.10%	5.60%	5.60%	6.60%	5.60%	N/A
029	Use Tax Purchases	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	N/A
030	Use Tax From Inventory	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	N/A
033	Telecommunications Devices	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	N/A
037	Contracting–Owner Builder	6.10%	6.725%	6.60%	7.60%	6.30%	5.85%	6.10%	6.70%	6.60%	6.35%	6.70%	6.10%	.056%
041	Municipal Water ^c	.65¢	.65¢	.65¢	.65¢	.65¢	.65¢	.65¢	.65¢	.65¢	.65¢	.65¢	.65¢	N/A
049	Jet Fuel Tax ^d	3.355¢	3.66¢	3.66¢	4.27¢	3.355¢	3.202¢	3.355¢	3.66¢	3.66¢	3.507¢	3.660¢	3.355¢	N/A
051	Jet Fuel Use Tax ^d	3.05¢	3.05¢	3.05¢	3.05¢	3.05¢	3.05¢	3.05¢	3.05¢	3.05¢	3.05¢	3.05¢	3.05¢	N/A
053/055	Rental Car Surcharge ^{e, h}	0	0	0	0	\$2.50	0	\$3.50	0	0	0	0	0	N/A
056	Jet Fuel Tax > 10 million gallons ^d	0	0	.305¢	0	.305¢	0	.305¢	.305¢	0	0	0	0	N/A
129	Use Tax Direct Payments ⁱ	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	N/A
153	Rental Car Surcharge–Stadium ^h	0	0	0	0	3.25%	0	0	0	0	0	0	0	N/A
911	911 Telecommunications ^g	20¢	20¢	20¢	20¢	20¢	20¢	20¢	20¢	20¢	20¢	20¢	20¢	N/A

- a) Reduced rates may apply to preexisting contracts without pass through clauses. For information, see the Department’s web site at www.azdor.gov.
- b) Unincorporated areas of Pima County add 6%. (Report using region code PH and class code 000.)
- c) Rate is cents per 1,000 gallons of water. The tax on 100,000 gallons is thus 65 cents.
- d) Rate is cents per gallon.
- e) Class 053 is for Maricopa filers. Class 055 is for Pima filers.
- f) Rate is 50¢ per day on each lease or rental of a parking space for recreational vehicles. (Pima County only)
- g) Monthly rate per activated service.
- h) The Maricopa County rental Car Surcharge is the greater of \$2.50 or 3.25% of the gross income of each contract. Report \$2.50 per contract in Class 053. Report the remainder in Class 153.
- i) For use by direct pay permit holders only.

TOWN OF BUCKEYE

Effective May 1, 2013: On February 5, 2013, the Mayor and the Town Council of the Town of Buckeye passed Ordinance Number 01-13. Ordinance 01-13 amends the Town Code, Chapter 13 (Tax Code 2011 Edition), Article IV, Section 13-460(D) by adopting Model City Tax Code Local Option V. Local Option V imposes a two-level structure on sales of tangible personal property exceeding \$1,999.99.

Ordinance 01-13 reduces the transaction privilege tax rate on single item purchases of tangible personal property exceeding \$1,999.99 from **three percent (3%)** to a transaction privilege rate of **one and one half percent (1.5%)**. The decrease creates business classification code (**BE 001**).

TOWN OF CHINO VALLEY

Effective June 1, 2013: On February 26, 2013, the Mayor and the Common Council of the Town of Chino Valley passed Ordinance Number 13-765. Ordinance 13-765 adopts the 2013 changes to article IV-privilege taxes and makes a provision for pre-existing contracts.

Ordinance 13-765 increases the transaction privilege rate from **three percent (3%)** to **four percent (4%)**. The increase affects business classification code (**CV 000**).

Ordinance 13-765 does not affect Metalliferous Mining which remains at **one tenth of one percent (.10%)**. This creates business classification code (**CV 001**)

Ordinance 13-765 does not affect Pipeline which remains at **three percent (3%)**. This creates business classification code (**CV 004**)

Ordinance 13-765 does not affect Jet Fuel which remains at **\$.015 per gallon**, utilizing business classification code (**CV 008**)

Ordinance 13-765 does not affect Rental of Real Property which remains at **three percent (3%)**. This creates business classification code (**CV 013**).

The increase imposed by this ordinance shall not apply to contracts entered into prior to the effective date of June 1, 2013. Pre-existing Privilege Tax contracts should be reported under the Privilege Tax Contracts (Prior to June 1, 2013) utilizing the newly created business classification code (**CV 006**), and is taxed at the rate of **three percent (3.0%)**.

LA PAZ COUNTY TAX RATES CHANGE EFFECTIVE JUNE 1, 2013

Effective June 1, 2013: On February 28, 2013, La Paz County approved an increase to the La Paz County Judgment Tax. In addition, the 1% state Temporary Tax expires on May 31, 2013. The new total combined rate for *most* transactions beginning June 1, 2013 in La Paz County will be 7.6%.

The new state/county combined rates are available here:

<http://www.azdor.gov/Business/TransactionPrivilegeTax/TPTRates.aspx>

The rate changes will affect the following classifications:

Class Code	Description	Old Rate	New Rate
002	Non metal Mining	4.062%	4.375%
004	Utilities	8.1%	7.6%
005	Communications	8.1%	7.6%
006	Transporting	8.1%	7.6%
007	Private Railcar	8.1%	7.6%
008	Pipelines	8.1%	7.6%
009	Publishing	8.1%	7.6%
010	Job Printing	8.1%	7.6%
011	Restaurant & Bar	8.1%	7.6%
012	Amusements	8.1%	7.6%
014	Rentals of Personal Property	8.1%	7.6%
015	Prime Contracting	8.1%	7.6%

Class Code	Description	Old Rate	New Rate
017	Retail	8.1%	7.6%
025	Transient Lodging (Hotel/Motel)	8.15%	7.7%
029	Use Tax Purchases	6.6%	5.6%
030	Use Tax From Inventory	6.6%	5.6%
037	Owner/Builder Contracting	8.1%	7.6%
049	Jet Fuel Excise Tax	3.965¢	4.27¢
129	Use Tax Direct Payments	6.6%	5.6%

For Prime Contractors and Owner Builders: Any increase in the rate of tax does not apply to contracts entered into or pursuant to written bids made by Prime Contractors or Owner Builders on or before February 28, 2013. To qualify for the reduced rate, the prime contractor or owner builder must maintain documentation to verify the date of the contract or written bid. **Gross income received from Pre-existing Prime Contracts will be reported under Class 124 and from Pre-existing Owner Builder contracts will be reported under Class 125.**

For more information, consult our web site at www.azdor.gov , or contact the department's Taxpayer Information & Assistance Section at (602) 255-2060 or toll-free from 520 or 928 area code at (800) 843-7196.