



Transaction Privilege Tax Changes and News

This publication is an informational notice for October 2011.

LA PAZ COUNTY JUDGMENT BOND EXCISE TAX EFFECTIVE DECEMBER 1, 2011

On September 12, 2011 the La Paz County Board of Supervisors approved the levy of a La Paz County Judgment Tax **effective December 1, 2011**. The Judgment Tax is to be applied at 10% of the Transaction Privilege Tax rate levied by the State of Arizona, (.5% or .005 for most business classifications), as authorized in A.R.S. §42-6112. The total combined rate for *most* transactions will be 8.1%.

The new state/county combined rates are available here:

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

The rate change will affect the following classifications:

Class Code	Description	Old Rate	New Rate
002	Non metal Mining	3.75%	4.062%
004	Utilities	7.6%	8.1%
005	Communications	7.6%	8.1%
006	Transporting	7.6%	8.1%
007	Private Railcar	7.6%	8.1%
008	Pipelines	7.6%	8.1%
009	Publishing	7.6%	8.1%
010	Job Printing	7.6%	8.1%
011	Restaurant & Bar	7.6%	8.1%
012	Amusements	7.6%	8.1%
014	Rentals of Personal Property	7.6%	8.1%
015	Prime Contracting	7.6%	8.1%
017	Retail	7.6%	8.1%
025	Transient Lodging (Hotel/Motel)	7.6%	8.15%
029	Use Tax	6.6%	6.6%
030	Use Tax Inventory	6.6%	6.6%
037	Owner/Builder Contracting	7.6%	8.1%
049	Jet Fuel Excise Tax	3.66¢	3.965¢

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 September 12, 2011. 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 122 and from Pre-existing Owner Builder contracts will be reported under Class 123.**

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.

CITY OF PAGE

Effective October 1, 2011: On August 25, 2011, the Mayor and the Common Council of the City of Page passed Ordinance 576-11. Ordinance 576-11 amends the tax code of the City of Page by increasing the tax rate for the additional tax upon transient lodging from **three percent (3%) to four and two hundred sixty three thousandth percent (4.263%)**.

Ordinance 576-11 increases the tax rate for the Hotel/Motel (Additional Tax) Classification (**PG 001**) to **four and two hundred sixty three thousandth percent (4.263%)** effective October 1, 2011.

Ordinance 576-11 does not have a provision for pre-existing contracts.



CITY OF ST. JOHNS

Effective November 1, 2011: On August 16, 2011, the Mayor and Council of the City of St. Johns passed Ordinance Number 143. Ordinance 143 amends the tax code of the City of St. Johns by increasing the general rate of taxation from **two percent (2%)** to **three percent (3%)**.

Ordinance 143 tax rate increase effects the following classifications:

Advertising, Amusements, exhibitions, and similar activities, Construction Contracting: Construction Contractors, Construction Contracting: Speculative Builders, Construction Contracting; Owner Builders, Job printing, Manufactured buildings, Timbering and other extraction, Publishing and periodicals distribution, Hotels, Rental, leasing and licensing for use of tangible personal property, Restaurants and Bars, Retail sales, Telecommunication services, Transporting for hire, Utility services and Use Tax.

The ordinance change affects the Transaction Privilege Tax Classification (**SJ 000**), and Use Tax (**SJ 002**).

The increase imposed by this ordinance does not apply to Rental, leasing, and licensing for use of real property which is taxed at the rate of **two percent (2%)** and is reported under (**SJ 013**).

This increase imposed by this ordinance shall not apply to contracts entered into prior to the effective date of this Ordinance. Pre-existing privilege tax contracts should be reported under the Privilege Tax Contracts (Prior to November 1, 2011) Classification (**SJ 007**). Pre-existing Use Tax contracts should be reported under the Use Tax contracts (prior to November 1, 2011) Classification (**SJ 008**)