



# Transaction Privilege Tax Changes and News

This publication is an informational notice included with the April 2015 Transaction Privilege Tax Return.

## CITY BUSINESS CODES HAVE CHANGED!

City codes have changed. The new city codes are standard between all cities and match state codes in most instances. A bridge linking the old codes to the new codes has been created for each city to assist you in determining the new code. Each city bridge can be found on [www.azdor.gov/Business/TransactionPrivilegeTax/TPTRates.aspx](http://www.azdor.gov/Business/TransactionPrivilegeTax/TPTRates.aspx) under the city name. In most cases, the code you use for the city matches the state/county code. For example, if you currently file 000 and you are a retailer, your new code is 017. Also please reference the Transaction Privilege and other Tax Rate Tables located on the same link as above for your current rate(s).

## STATE/COUNTY AND CITY DEDUCTION CODES HAVE BEEN EXPANDED

**Effective January 1, 2015:** State/county and city deduction codes have been expanded to accommodate a taxpayer's ability to properly file their deductions. Every deduction taken on your TPT-1 must have a deduction code. Deductions reported with no deduction code will be disallowed and penalties and interest may apply. You may no longer use deduction codes 888 or 999. Use of these codes will be disallowed and penalties and interest may apply. The standardized list is now available on our forms page at [www.azdor.gov/Forms/TransactionPrivilegeTax.aspx](http://www.azdor.gov/Forms/TransactionPrivilegeTax.aspx) or the TPT Simplification page at [www.azdor.gov/TPTSimplification/DeductionCodes.aspx](http://www.azdor.gov/TPTSimplification/DeductionCodes.aspx)

As a result of recent statutory changes and a further review of statutory provisions, the following new deduction codes have been added to the Department's listings. For the *business codes* under which these new deduction codes may be taken, see the listings at: [www.azdor.gov/TPTSimplification/DeductionCodes.aspx](http://www.azdor.gov/TPTSimplification/DeductionCodes.aspx)

584 – TPP sold to Form 5009L Subcontractor for Incorporation into PRIME CONTRACTING Project

712 – PROPERTY Sold to Contractor for MRRRA Project on an INDIAN RESERVATION

715 - TRANSPO by MOTOR CARRIERS or LIGHT MOTOR VEHICLES – FEES PAID TO MVD

725 - TPP Sales *BY* Nonprofit Charitable IRC 501(c)(3) Organization

744 – VETERANS ORG: Sales of FOOD and DRINK on PREMISES

[Deduction Codes 548, 570 and 584: The business code applicability for these codes has been changed.]

## TPN 15-1 (CONTRACTING FAQs) NOW AVAILABLE

The revised Contracting FAQs are now posted on [www.azdor.gov](http://www.azdor.gov) under News & Announcements. Please check our website under News & Announcements for upcoming classes.

## CITY OF YUMA

**Effective May 1, 2015:** On March 19, 2015, the City Council of the City of Yuma passed Ordinance Number O2015-015. Ordinance Number O2015-015 amended Ordinance No. O2015-03 which changed the effective date for transferring the collection of the City of Yuma Special Tax of **Two Percent (2%)** to the Arizona Department of Revenue.

Ordinance Number O2015-03 revokes **Model Option 6** of the Model City Tax Code that prohibits the imposition of an additional transient ("hotel") tax as part of the transaction privilege tax.

Ordinance Number O2015-03 transfers the collection of the **Hotel/Motel (Additional Tax) Classification at two percent (2%)**. **YM 144** has been created for reporting purposes.

Ordinance Number O2015-03 transfers the **Restaurants and Bars (Additional Tax) Classification at two percent (2%)**. **YM 111** has been created for reporting purposes.