

Tempe Deduction Code Bridge

* The Tempe "Privilege (Sales) Tax Return" and the City's website provided a limited number of deduction codes, shown below. Other than the city deduction codes specified here, the CITY DEDUCTION CODES listings (1 alphabetical, 1 numerical available at [www.azdor.gov/TransactionPrivilegeTax\(TPT\)](http://www.azdor.gov/TransactionPrivilegeTax(TPT))) provide all of the city deduction codes that are available for use on State TPT forms, and list the city business codes under which the deduction codes may be used. Most of the city deduction codes apply in all cities, some "city-specific" deduction codes only apply in the specified cities indicated. An asterisk (*) next to an ADOR Deduction Code shown below, indicates that there are related deduction codes in the CITY DEDUCTION CODES listings that may be more appropriate.

| Description | Previous Code Used | ADOR Deduction Codes |
|--|--------------------|--|
| Total tax collected or factored (State, County, City) | F | 551 |
| Bad debts on which tax was paid | H | 558 |
| Refunds and Returns on which Tax was Paid | R | 708 |
| Sales for Resale or Lease or Leases for Re-lease | B | 503* |
| Retail service labor | A | 750 |
| Discounts allowed | D | 708 |
| Freight Out/Delivery Charges if Invoiced Separately | N | 750 |
| Sales and leases to qualified health care organizations | Q | 671* |
| Retail Sales to U.S. Govt. (50% deductible) | E | 548 |
| Manufacturer or Repairer Sales to U.S. Government (100% deductible) | E | 547 |
| Trade-In Allowance | T | 711 |
| MOTOR VEHICLE sold to NONRESIDENT that is shipped OUT-OF-STATE by RETAILER | O | 541 |
| INTERSTATE or FOREIGN COMMERCE Sales | O | 504 |
| Food purchased with SNAP cards / WIC | W | 513 |
| Motor Vehicle Gasoline and Use Fuel | G | 515 |
| Income-Producing Capital Equipment - sales and leases | M | 752* |
| Medical Devices, Prosthetics and Prescription Drugs - USE ONE OF THE NEXT FIVE DEDUCTION CODES (whichever is appropriate) | I | |
| DRUGS - OXYGEN Prescribed by DOCTOR | | 536 |
| DURABLE MED EQUIP - RX & HCPC # for Home Use | | 526 |
| HEARING AIDS but not batteries | | 594 |
| PROSTHETIC <i>RECOMMENDED</i> by DOCTOR | | 748 |
| PROSTHETIC <i>Prescribed</i> by MEDICAL PROFESSIONAL | | 559 |
| Lottery Tickets | L | 521 |
| Construction Contracting 35% Deduction | C | 502 |
| Subcontracting (income) for Prime Contractor or Speculative Builder | S | 550 |
| Out-of-City Contracting | V | Out-of-city contracting will be reported to the applicable city and/or county. |
| Out-of-State Contracting | V | 681 |
| "Other" or Miscellaneous Deductions | J | Misc Codes no longer accepted; please see City Deduction Code Listing * |