



# GENERAL INSTRUCTIONS

## Transaction Privilege, Use, and Severance Tax Return (TPT-EZ)

ARIZONA DEPARTMENT OF REVENUE  
[www.azdor.gov](http://www.azdor.gov)

### Online Filing

Go to [www.AZTaxes.gov](http://www.AZTaxes.gov)  
If you have more than one location, you are required to file electronically.

### Mailing Address

Arizona Department of Revenue  
PO Box 29010  
Phoenix, AZ 85038-9010

*If you are mailing your Transaction Privilege Tax Return, it must be received by the second to the last business day of the month.*

### Customer Service Center Locations

8:00 a.m. - 5:00 p.m.

Monday through Friday  
(except Arizona holidays)

#### Phoenix Office

1600 W Monroe  
Phoenix, AZ 85007

#### Tucson Office

400 W Congress  
Tucson, AZ 85701

7:00 a.m. - 6:00 p.m.

Monday through Thursday

8:00 a.m. - 12:00 p.m.

Friday

(except Arizona holidays)

#### Mesa Office

55 N Center

Mesa, AZ 85201

(This office does not handle billing or account disputes.)

### Customer Service Telephone Numbers

8:00 a.m. - 5:00 p.m.

Monday through Friday

(Except legal Arizona state holidays)

#### Phoenix Area

(602) 255-3381

#### Within Arizona

1 (800) 352-4090

**For further detailed instructions, please refer to the TPT-2 instructions.**

#### Online Filing:

The Arizona Department of Revenue's online taxpayer service center website is [www.AZTaxes.gov](http://www.AZTaxes.gov). It provides taxpayers with the ability to file their TPT tax returns, pay taxes, conduct other transactions, and review tax account information. Enroll your business at [www.AZTaxes.gov](http://www.AZTaxes.gov). For taxpayers who file and pay taxes electronically, the Department must receive the tax return and payment on or before the last business day of the month; therefore, this transaction must be completed before 5:00 p.m. MST (Mountain Standard Time) on the preceding business day. If you have more than one location, you are required to file electronically.

#### Who Must File:

**Form TPT-EZ is for filing periods beginning on or after June 1, 2016.** Businesses with income subject to transaction privilege tax, county excise tax, use or severance tax must file a transaction privilege tax return even if there is no tax liability due for the tax period. City tax for all cities is also reported on Form TPT-EZ. Table II of the TRANSACTION PRIVILEGE AND OTHER TAX RATE TABLES lists the tax rates which are available on the Department's website ([www.azdor.gov](http://www.azdor.gov)).

#### Due Date for TPT-EZ:

Arizona Revised Statutes (A.R.S.) § 42-5014 states that Form TPT-EZ is **due** on the 20<sup>th</sup> day of the month following the month (or other reporting period) in which the tax is collected or accrued. However, for taxpayers that file by mail or in person, the return and payment will be considered to be filed timely if received by the Department on or before the second to the last business day of the month. *A business day is any day except Saturday, Sunday, or a legal Arizona state holiday.* For electronically filed returns, see "Online Filing" above.

#### Penalties:

Any return that is not filed timely is subject to a late filing penalty. The late file penalty, imposed by A.R.S. § 42-1125(A), as qualified by A.R.S. § 42-5014(E), is four and one-half percent. A late payment penalty, imposed by A.R.S. § 42-1125(D), is assessed when the tax due for the return is not paid by the due date. The late payment penalty is one-half of one percent. Other penalties may apply as provided in A.R.S. § 42-1125. Penalties and interest are assessed based on the statutory due date of the 20<sup>th</sup> day of the month.

#### Amended Returns:

Form TPT-EZ must also be used to amend original returns that were previously filed for any reporting periods. To amend a previously filed Form TPT-EZ, check the "AMENDED RETURN" box under TAXPAYER INFORMATION section. Complete the return with the corrected numbers only. **Do not use negative numbers and do not submit a return with negative numbers** to amend a prior period. Include all lines that were present on the original return, even if there are no changes to some lines.

#### Amended Return Due Date:

An amended return that results in a refund or credit, must be filed within four years of the due date of the original return or four years from the date the original return was filed, whichever date is later. A taxpayer may not use an amended return to change a payment of estimated tax or to change the application of a claimed estimated tax payment.

**NOTE:** If the Transaction Privilege Tax liability is **increased**, the accounting credit is limited to the previous amount claimed on the original return. In addition, if an estimated tax payment was claimed on the original return, do not restate the payment.

**Tax Rate Tables and Deduction Codes** can be found at [azdor.gov](http://azdor.gov).

Summary Totals

- 5 Line AA: Net AZ/County Tax**  
Enter the amount from Page 2, line 7, column M of this form.
- Line A1: State Excess Tax Collect**  
By law, if you collected more tax than is calculated as due, the combined excess tax must be reported and paid to the Department of Revenue. Enter State excess tax collected on this line.
- Line A2: Excess Tax Accounting Credit**  
If you are eligible to take an Accounting Credit, you may take an Accounting Credit for Excess Tax Collected. The Accounting Credit applies only to taxes paid for the state and not the counties.
- Line A3: Subtotal**  
Add lines AA and A1, subtract line A2, enter the results on this line.
- Line BB: Net City Tax**  
Enter the amount from Page 2, line 14, column M of this form. If there is only city tax reported, complete the city detail and Schedule A City section only.
- Line B1: City Excess Tax Collect**  
By law, if you collected more tax than is calculated as due, the combined excess must be reported and paid to the Department of Revenue. Enter city excess tax collected on this line.
- Line B2: Subtotal**  
Add lines BB and B1, enter the results on this line.
- Line CC: Net Tax Due**  
Add lines A3 and B2, enter the results on this line.
- Line DD: TPT Estimated Payments to be Used on this Return**  
Enter the amount previously paid as an estimated tax payment. **This only applies to the June TPT-EZ return due in July.** If you are not required to pay an annual estimated tax payment or did not make an estimated tax payment, then leave this blank.
- Line EE: Tax Due Net of TPT Estimated Payment**  
Subtract line DD from line CC and enter the result on this line.
- Line FF: Total Amount Remitted with this Return**  
Enter the total amount remitted with this return.
- 6 Taxpayer's Signature**  
Enter your first and last name, and **sign and date** this form. Please include a daytime phone number.  
**NOTE: There are two different sections for transaction detail; one is for State (AZ)/County transactions and the other is for City transactions.**
- 7 [Column A] - Leave blank**

The following numbered instructions correspond to the numbers on the sample Form TPT-EZ.

If the return is an amended return, if you are canceling your license and this is your final return, or if you have **no gross receipts** (zero sales income) to report, **please check the appropriate box.**

**NOTE: The "Check here and sign below if you have no gross receipts to report" check box is ONLY used if you are filing a return to report that you have zero sales income or no gross receipts to report. Do not check this box if there is tax due and no payment is submitted with this return.**

Taxpayer Information

- 1 Business Name and Address**  
Make corrections on the form as required. If you make changes to the address, check the "Address Changed" box.
- 2 Taxpayer Identification Number**  
A Taxpayer Identification Number is required when filing any return; enter either your federal employer identification number (EIN) or social security number (SSN).
- 3 License Number**  
This number should include all eight numerical digits. The license number must also be entered in the top right hand corner of Page 2.
- 4 Reporting Period**  
Check the accuracy of the PERIOD BEGINNING and the PERIOD ENDING boxes, and make corrections as required. If this information is missing, enter the correct periods in as (MMDDYYYY) format

Page 2

State (AZ)/County Transaction Detail

**NOTE: A TRANSACTION DETAIL IS REQUIRED OR THE RETURN WILL NOT PROCESS CORRECTLY AND PENALTIES MAY APPLY.**

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	
STATE (AZ)	REG. CODE	NAME OF REGION	BUS. CODE	DESC. OF BUS. ACTIVITY	GROSS RECEIPTS	DEDUCTIONS FROM SCHEDULE A	(F) - (G) = (H) NET TAXABLE	AZ / COUNTY TAX RATE	(H) X (I) = (J) TOTAL TAX	ACCTNG CREDIT RATE	(H) X (K) = (L) ACCOUNTING CREDIT	(J) - (L) = (M) AZ/COUNTY TAX DUE	
	7	8	9	10	11	12	13	14	15	16	17	18	19
20 AZ/COUNTY SUBTOTAL (AMOUNT IN COLUMN M, MUST EQUAL PAGE 1, LINE AA)													

- 8 Region Code [Column B]**  
Enter the three letter region code for which you are remitting tax.
- 9 Name of Region [Column C]**  
Enter the name of the county or special region for which you are remitting tax.
- 10 Business Code [Column D]**  
This column identifies the three digit number corresponding to your business activity, which can be found in **TAX RATE TABLES.**
- 11 Description of Business Activity [Column E]**  
This column will identify your type of business, or business activity.

- 12 Gross Receipts [Column F]**  
For each line item (reported business activity by county or region), enter the gross amount collected.
- 13 Deductions from Schedule A [Column G]**  
Enter the amount from Schedule A.
- 14 Net Taxable Amount [Column H]**  
Subtract column G from column F. This is the net income subject to tax.
- 15 AZ/County Tax Rate [Column I]**  
Find the combined state/county tax rates in the **TAX RATE TABLES**. Enter the percentage in decimal form. Do not include the percent sign (%) with the amount. For example, 6.5% should be entered as .065.
- 16 Total Tax Amount [Column J]**  
Multiply column H by column I. Enter the result in column J.
- 17 Accounting Credit Rate [Column K]**  
The accounting credit rate for your business activity should be preprinted on the form. You can find the combined state and county tax rates by checking the **TAX RATE TABLES**. Enter the percentage in decimal form. Do not include the percent sign (%) with the amount. For example, 6.5% should be entered as .065.

**Accounting Credit**

The State of Arizona provides a credit for accounting and reporting expenses. The accounting credit is applicable **only** to Transaction Privilege Tax or Severance Tax; it does not apply to city, county or other taxes. The credit is equal to 1% of the amount of state tax due, but **cannot exceed \$10,000** per business entity for a calendar year. **NOTE:** Taxpayers who file this return **electronically** during a calendar year and continue to file electronically, are now able to claim an increased accounting credit from 1 percent to 1.2 percent; this increases the total calendar year credit limit from \$10,000 to \$12,000. Please go to [www.aztaxes.gov](http://www.aztaxes.gov) to register to file and pay online to get the increased credit. (See A.R.S. § 42-5017 for more information.)

- 18 Accounting Credit [Column L]**  
Multiply column H by column K. Enter the result in column L. This is your accounting credit.
- 19 AZ/County Tax Due [Column M]**  
Subtract column L from column J. This is the tax due for this line item.
- 20 AZ/County Subtotal Line 7**  
Total amounts in each of the columns F, G, H, J, L and M. Enter the result on this line for each column. Enter result on this line and on Page 1, line AA.

**City Transaction Detail**

CITY TRANSACTION DETAIL (See Table 2 on the Tax Rate Table, <a href="http://www.azdor.gov">www.azdor.gov</a> )													
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	
LOC. CITY CODE	CITY CODE	NAME OF CITY	BUS. CODE	DESC. OF BUS. ACTIVITY	GROSS RECEIPTS	DEDUCTIONS FROM SCHEDULE A	(F) - (G) = (H) NET TAXABLE	CITY TAX RATE	(H) X (I) = (J) TOTAL TAX		CITY CREDIT	(J) - (L) = (M) CITY TAX DUE	
8	21	22	23	24	25	26	27	28	29	30	31	32	33
10	<b>34</b> CITY SUBTOTAL (AMOUNT IN COLUMN M, MUST EQUAL PAGE 1, LINE BB)												

If only city tax is reported on Form TPT-EZ, complete the city detail and Schedule A City only.

**NOTE: A TRANSACTION DETAIL IS REQUIRED OR THE RETURN WILL NOT PROCESS CORRECTLY AND PENALTIES MAY APPLY.**

- 21 Location Code [Column A]**  
This is a three digit numeric code that identifies each location where you are doing business. This code can be found on your printed license.
- 22 City Code [Column B]**  
Enter the two letter city code for which you are remitting tax.
- 23 Name of City [Column C]**  
Enter the name of the city for which you are remitting tax.
- 24 Business Code [Column D]**  
This column identifies the three digit number corresponding to your business activity, which can be found in **TAX RATE TABLES**.
- 25 Description of Business Activity [Column E]**  
In this column provide a brief explanation of your business activity.
- 26 Gross Receipts [Column F]**  
For each line item (reported business activity by city or town), enter the gross amount collected.
- 27 Deductions from Schedule A [Column G]**  
Enter the amount from Schedule A.
- 28 Net Taxable Amount [Column H]**  
Subtract column G from column F. This is the net income subject to tax.
- 29 City Tax Rate [Column I]**  
You can find the tax rates by checking the **TAX RATE TABLES**. Enter the percentage in decimal form. Do not include the percent sign (%) with the amount. For example, 6.5% should be entered as .065.
- 30 Total Tax Amount [Column J]**  
Multiply column H by column I. Enter the result in column J.
- 31 [Column K] - Leave blank**
- 32 City Credit [Column L]**  
**FOR USE BY OWNER-BUILDERS OR SPECULATIVE BUILDERS ONLY. This tax credit cannot be taken by a construction contractor as an offset to the tax due on construction contracting receipts or draws.**
- 33 City Tax Due [Column M]**  
Subtract column L from column J. This is the tax due for this line item.
- 34 City Subtotal Line 14**  
Total amounts in each of the columns F, G, H, J, L and M. Enter the result on this line for each column and enter this result on Page 1, line BB.

**SCHEDULE A DEDUCTIONS: STATE (AZ)/COUNTY**

SCHEDULE A - DEDUCTION DETAIL INFORMATION						
STATE (AZ) /COUNTY DEDUCTIONS DETAIL						
(A)	(B)	(C)	(D)	(E)	(F)	
REGION CODE	BUS. CODE	DEDUCTION CODE	DEDUCTION AMOUNT	DESCRIPTION OF DEDUCTION CODE		
1	35	36	37	38	39	40
3						
6	<b>41</b> AZ/COUNTY TOTAL DEDUCTIONS					

**Schedule A must be completed for deductions to be allowed.**

- 35 [Column A] - Leave blank**
- 36 Region Code [Column B]**  
Enter the three letter region code for which you are remitting tax.
- 37 Business Code [Column C]**  
This column identifies the three digit number corresponding to your business activity, which can be found in **TAX RATE TABLES**.
- 38 Deduction Code [Column D]**  
Choose the appropriate deduction code from the **Deduction Code** list.

**39 Deduction Amount [Column E]**  
 List the specific amount of each deduction. The total itemized deduction amount in Schedule A – State (AZ)/County must equal the total deduction amount in column G on the Transaction Detail – State (AZ)/County section.

**40 Description of Deduction Code [Column F]**  
 Enter a brief description of the deduction you are taking on this line.

**41 AZ/County Subtotal Line 6**  
 Total column E. Enter the result on this line. This total must be equal to the total on Page 2, line 7, column G.

**SCHEDULE A DEDUCTIONS: CITY**

CITY DEDUCTIONS DETAIL					
(A)	(B)	(C)	(D)	(E)	(F)
LOC. CODE	CITY CODE	BUS. CODE	DEDUCTION CODE	DEDUCTION AMOUNT	DESCRIPTION OF DEDUCTION CODE
8	42	43	44	\$ 45	46
9				\$	
10				\$	
11				\$	
12				\$	
13	CITY TOTAL DEDUCTIONS .....			\$	

TOTAL MUST EQUAL TOTAL ON PAGE 2, LINE 14, COLUMN G

**44 Business Code [Column C]**  
 This column identifies the three digit number corresponding to your business activity, which can be found in **TAX RATE TABLES**.

**45 Deduction Code [Column D]**  
 Choose the appropriate deduction code from the **Deduction Code** list.

**46 Deduction Amount [Column E]**  
 List the specific amount of each deduction. The total itemized deduction amount in Schedule A – City must equal the total deduction amount in column G on the Transaction Detail – City section.

**47 Description of Deduction Code [Column F]**  
 Enter a brief description of the deduction you are taking on this line.

**48 Subtotals Line 13**  
 Total column E. Enter the result on this line. This total must be equal to the total on Page 2, line 14, column G.

**42 Location Code [Column A]**  
 Enter the same location code as appears on the applicable City Transaction Detail.

**43 City Code [Column B]**  
 This column identifies the city or town in which you conduct business. The city code is two letters. Please refer to the **TAX RATE TABLES**.