

## GENERAL

### Q. What is Laws 2025, Chapter 251?

A. Laws 2025, Chapter 251 enacts A.R.S. § 42-5032.03 and creates a new funding mechanism for the Maricopa County Stadium District, the owner of Chase Field (The “Major League Baseball Facility”). Its primary purpose is to provide financial support for the reconstruction, equipping, repair, maintenance, and improvement of the Major League Baseball facility. The bill was signed into law by Governor Katie Hobbs on June 27, 2025.

### Q. Is this a new tax on businesses?

A. No, the law does not impose new taxes. It diverts a portion of existing state, county, and city transaction privilege tax (TPT) revenues generated from activities at or adjacent to the Major League Baseball facility directly to the County Stadium District fund.

### Q. When does the new reporting requirement for the County Stadium District begin?

A. It is effective for reporting periods beginning October 1, 2025, which, for monthly TPT return filers, is first filed in November 2025.

### Q. When does the new reporting requirement for the County Stadium District end?

A. It is set to expire on December 31, 2055.

### Q. How do I know if the County Stadium District impacts my business?

A. The Arizona Department of Revenue’s tax rate lookup tool on [AZTax.es.gov](https://aztaxes.gov) will assist you in determining whether your business is located within the boundaries of the County Stadium District. You will need to enter the address of your business location and select the appropriate business activity. The tool will then indicate if you should be using the new state/county region code MCZ and city region code PZ for your tax filings (see

“Reporting/Filing” for additional information).

## REPORTING/FILING

### Q. What is the purpose of state/county region codes?

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- A state/county region code is identified by three letters (e.g., the Maricopa County region code is MAR). A city code is identified by two letters (e.g., the Phoenix region code is PX). State/county and city codes are listed on the Tax Rate Table at <https://azdor.gov/business/transaction-privilege-tax/tax-rate-table>. Please refer to the rate table and Table 3 for the county code.
- Accompanying the use of region codes, for each transaction privilege tax (TPT) license, the Arizona Department of Revenue assigns unique location code(s) to identify the location(s) where business transactions are taking place. All businesses must specify their assigned location code for each separate business location when filing their TPT return.
- A business’s location code is on its TPT license. It is the 3-digit number located on the left-hand side below the address.
- For more information, go to <https://azdor.gov/business/transaction-privilege-tax/location-based-reporting>.

**Q. How does the County Stadium District specifically impact transaction privilege tax (TPT) reporting for businesses?**

A. This legislation introduces new TPT reporting requirements, as administered by the Arizona Department of Revenue, for businesses operating within the designated County Stadium District area.

- **New TPT Region Codes:** Taxpayers will be required to utilize two new TPT region codes for reporting taxable business activities within the County Stadium District. These codes will specifically identify revenues that are subject to redirection under House Bill 2704.
  - **New State/County Region Code (MCZ):** The new state/county code “MCZ” should be used by taxpayers conducting business within the County Stadium District.
  - **New City Code (PZ):** The new city code “PZ” should be used by taxpayers conducting business within the County Stadium District.
- **Effective Date for TPT Reporting Changes:** These TPT changes become effective for reporting periods beginning October 1, 2025.

**Q. Should I use the new region codes if my business has taxable activity in other cities/counties in addition to activities within the County Stadium District?**

A. If your business has taxable activity within the County Stadium District and in other jurisdictions, then you must itemize your filings for each separately. For example, if your business has taxable activity within: (1) the County Stadium District and (2) in the City of Phoenix but outside the boundaries of the district, then you must separate the business activity for each jurisdiction by using region codes MCZ and PZ (for the

portion related to the County Stadium District) and MAR and PX (for the portion related to Phoenix but outside the district).

## LICENSING

**Q. Do I need a new license if I am an existing TPT license holder within the County Stadium District?**

A. No, as long as the business already has a TPT license. Any TPT license for a taxpayer with transactions occurring within the County Stadium District should have that location identified on their license, and should use that location with the new MCZ and PZ region codes for transactions within the District.

**Q. Do I need to renew my TPT license every year? What is the cost?**

A. The license is valid for one calendar year, from January 1 through December 31 and businesses must renew annually by January 1. Renewal license fees are based on the location(s) where your business operates. Every year, the fees are reviewed and adjusted based on the ordinance of each city/town. To determine the current renewal license fee for the City of Phoenix, please refer to

<https://azdor.gov/transaction-privilege-tax/tpt-license/renewing-tpt-license>.