



# Arizona Department of Revenue

## TPT Newsletter

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April 2025

## Transaction Privilege Tax Changes and News

### SEARCH UNCLAIMED PROPERTY FOR NATIONAL SMALL BUSINESS WEEK

National Small Business Week is May 4-10 and the Arizona Department of Revenue (ADOR) is encouraging small business owners to take some time and look for any unclaimed property that may belong to their business.

Looking for Unclaimed Property is easy. Business owners can simply visit [azdor.gov/unclaimed-property](https://azdor.gov/unclaimed-property), enter their business name, and see if ADOR is holding any property in the business' name. While they're at it, they can go ahead and search their own name for any personal property that may be unclaimed, and let their employees know that they can search too.

Unclaimed property can include forgotten bank accounts, uncashed checks, insurance benefits, and more. Sometimes unclaimed property can come from accounts receivable credit balances representing overpayments made for materials. A business has potentially hundreds of financial transactions daily and any one of those could be reported to ADOR's Unclaimed Property Unit.

For more information on unclaimed property, how to find it, and how to claim it, visit <https://azdor.gov/unclaimed-property>.

### ADOR AUTO-RENEWS 2025 STATE TPT LICENSES

Beginning May 1, taxpayers will no longer have the ability to renew on [AZTaxes.gov](https://AZTaxes.gov), but can still pay the liability. Prompt compliance online can save both time and money. Taxpayers who have closed their business can cancel their existing Transaction Privilege Tax (TPT) license through [AZTaxes.gov](https://AZTaxes.gov) or submit a [Business Account Update](#) form with a cancel effective date. This will ensure your account remains in good standing and avoids additional penalties and interest.

Keep your mailing addresses and account information up-to-date to ensure letters, notices, and billings go to the correct address. Please note, there is a unique address for all renewal forms, correspondence, and payments:

Arizona Department of Revenue  
Attn: License and Registration  
PO Box 29082  
Phoenix, AZ 85038-9082

Renewal forms, correspondence, or payments sent to any other address will delay processing.

As a reminder, operating without proper licensing may be a class 3 misdemeanor.

For more information, visit [azdor.gov/transaction-privilege-tax/tpt-license/renewing-tpt-license](https://azdor.gov/transaction-privilege-tax/tpt-license/renewing-tpt-license).

### HOW TO LINK EXISTING TPT LICENSE NUMBER TO THE NEW USER ACCOUNT

The Department encourages businesses to license their business through AZTaxes for quicker registration and processing of their application, along with streamlined filing and paying transaction privilege and withholding taxes.



(602) 255-3381 or toll-free at (800) 352-4090



[www.azdor.gov](https://www.azdor.gov)



APPLY | FILE | PAY



### *Apply for a New License*

When applying through AZTaxes, the first step is creating an account (user account) and applying for a license. The steps to create an account are as follows:

1. Go to [www.AZTaxes.gov](http://www.AZTaxes.gov).
2. Click on "Enroll to File and Pay Online" under Businesses.
3. Complete the required fields annotated with a red asterisk.
4. Read and check the Terms of Use policy acceptance box.

Click "Register." You will receive two emails from [Noreply@azdor.gov](mailto:Noreply@azdor.gov) within 24 hours. The first email will contain your username, and the second will provide a temporary password. Please check your spam folder if you do not find these emails in your inbox.

For visual instructions on creating a user account, see: [https://youtu.be/5H\\_X8HOBPf0](https://youtu.be/5H_X8HOBPf0).

### *Connecting an Existing License to User Account*

If you are required to file and pay electronically but originally applied for a license by paper, you must create a user account through AZTaxes and link (or connect) the user account with the existing TPT License. Do not reapply for a license through AZTaxes if you already have a license.

Instead, you will link the license and user account. Similarly, when you open a bank account in person, they do not create an online login for you, but you create an online account and connect your bank account with your login.

For visual instructions on linking your account, see this video: <https://youtu.be/gd3BGDmYNkM>.

## **COMMON TPT FILING ERRORS**

ADOR wants businesses to be successful when filing their business' transaction privilege tax returns. The main reason TPT paper returns do not process correctly is that they are filed by paper! Filing online at [AZTaxes.gov](http://AZTaxes.gov) reduces the chance for errors because most of the information included on your return is pre-populated for you based on your TPT license information. If you must file by paper and have an annual waiver in place, let's make sure to file appropriately.

(Businesses with an annual transaction privilege tax (TPT) and/or use tax liability of \$500 or more during the prior calendar year are required to file and pay electronically.)

Watch the [Common Errors video](#) to learn some of the top reasons returns do not process correctly to your TPT account and how they can be avoided.

For more helpful tips and error explanations, see the [Notice and Correspondence Resource Center](#).

## **FILING FACTS**

- Check your business' balance or outstanding liabilities by logging into [AZTaxes.gov](http://AZTaxes.gov). Select the account, then click "Pay," and "Pay Outstanding Liabilities."
- Verify and update your mailing address instantly and securely at [AZTaxes.gov](http://AZTaxes.gov).
- Remember to file your TPT return for the prior month's activity.
- Keep your account history in good standing and avoid penalties. If no longer in business, cancel your existing TPT license on AZTaxes.gov or submit a Business Account Update Form.
- File a \$0 TPT return for temporarily closed businesses. Go to [azdor.gov/business/transaction-privilege-tax](http://azdor.gov/business/transaction-privilege-tax) for more information.





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- See the [list of deduction codes](#) and make sure you are claiming the correct deduction codes on your TPT return.
- Keep your account history in good standing and avoid penalties. If no longer in business, cancel your existing TPT license on AZTaxes.gov or submit a Business Account Update Form.
- The tax rate look up tool on AZTaxes.gov is a useful tool for TPT filers in helping them find the TPT rates for any location within Arizona.
- If your primary user email no longer exists, you will need to register as a new user for AZTaxes. ADOR recommends this be an officer/owner of the business. Find [instructions on registering a new user](#). Once registered, you will need to complete a Business Account Update to change the primary user to the new user account.
- Remember to click "Submit" when submitting a TPT return on AZTaxes. Clicking "Save" does not submit your return.

## DUE DATE REMINDERS

### TPT Filing Frequency and Due Dates\*- *Monthly, Quarterly*

TPT filers are reminded of the following **March** TPT filing deadlines:

- **April 21** - TPT return due date.
- **April 29** - Paper returns must be received at ADOR by this date.
- **April 30** - Electronic return filed in AZTaxes must be submitted before 11:59 p.m. on this date.
  - Electronic payment made in AZTaxes must be submitted before 11:59 p.m. on this date.

\*The electronic due date for TPT return is dependent on the return and payment being timely and filed electronically.

## WASTE TIRE FEE CHANGES

The Arizona Department of Revenue (ADOR) is informing businesses that sell new tires of upcoming changes to the fee imposed on the sale of motor vehicle tires.

This includes:

- retailers of new motor vehicle tires,
- retailers of new motor vehicles with a gross weight of under 10,000 pounds,
- wholesale sellers that sell new motor vehicle tires to the state or a political subdivision of the state, and
- wholesalers that sell new motor vehicle tires to a private entity that does not resell the new tires (including wholesalers that sell to used car dealerships).

*The current fees remain in effect through March 31, 2025:*

2% of the retail price of each new tire, up to a maximum of \$2.00 per tire. The fee for new vehicles (where the price of the tires is not listed separately on the invoice) is \$1.00 per tire.

*The new fees become effective on April 1, 2025:*

2% of the retail price of each new tire, up to a maximum of \$4.66 per tire. The fee for new vehicles (where the price of the tires is not listed separately on the invoice) is \$2.33 per tire.

*Beginning July 1, 2026, the fees will be adjusted annually based on a formula established by the Arizona Department of Environmental Quality pursuant to A.A.C. R18-13-2022.*

The [website](#) and related forms will be updated to accommodate the new fee structure. Letters are being sent to businesses to notify them of the change and their obligation to update their system to begin collecting and remitting the revised fee.

Businesses should update point-of-sale systems to account for the increased fee effective April 1, 2025. These fees should be remitted to the Arizona Department of Revenue on a quarterly basis by filing [Form TR-1, Motor Vehicle Waste Tire Fee](#).





## TAX CHANGES

### City of Prescott - Effective date of April 1, 2025

On December 10, 2024, the Mayor and Council of the City of Prescott passed ordinance 2024-1858, certifying the city electorate's November 5, 2024 approval to adopt a dedicated Transaction Privilege tax of ninety-five hundredths of one percent (0.95%) for purposes of public safety within the city, taking effect April 1, 2025 and then reducing to seventy-five hundredths of one percent (0.75%) by December 31, 2035.

The (0.95%) affects the following business classifications:

Advertising (**018**); Amusement (**012**); Contracting - Prime (**015**); Contracting - Speculative Builders (**016**); Contracting - Owner Builder (**037**); Feed at Wholesale (**116**); Job Printing (**010**); Manufactured Buildings (**027**); Timbering and Other Extracts (**020**); Publication (**009**); Hotels (**044**); Commercial, Rental, Leasing, and Licensing (**213**); Rental, Leasing, and Licensing for Use of TPP (**214**); Restaurant and Bars (**011**); Retail Sales (**017**); Retail Sales Food for Home Consumption (**062**); MRRRA Amount (**315**); Communications (**005**); Transporting (**006**); Utilities (**004**); Use Tax Purchases (**029**); Use Tax from Inventory (**030**).

Medical and Adult Use Marijuana:

Medical Marijuana Retail Sales (**203**); Adult Use Marijuana Retail Sales (**420**); Retail Sales (Accessories and Ancillary Products) (**017**); Medical Marijuana Restaurant (**221**); Adult Use Marijuana Restaurant (**421**); Use Tax Purchases (**029**); Use Tax From Inventory (**030**).

Remote Seller and Marketplace Facilitators:

Retail Sales (**605**); Retail Sales Food for Home Consumption (**606**); Marketplace Facilitators in Arizona Retail Sales (**017**); Marketplace Facilitators in Arizona Retail Sales Food for Home Consumption (**062**); Marketplace Facilitators in AZ Third Party Sales (**605**); Marketplace Facilitators in AZ Third Party Sales Food for Home Consumption (**606**).

### City of Phoenix - Effective date of July 1, 2025

On March 18, 2025, the City Council of the City of Phoenix passed Ordinance G-7369, providing an increased tax rate on multiple Privilege Tax business classifications and Use tax from two and three-tenths percent (2.3%) to two and eight-tenths percent (2.8%).

The (2.8%) affects the following business classifications:

Amusement (**012**); Contracting - Prime (**015**); Contracting - Speculative Builders (**016**); Contracting - Owner Builder (**037**); Job Printing (**010**); Manufactured Buildings (**027**); Timbering and Other Extracts (**020**); Publication (**009**); Hotels (**044**); Commercial, Rental, Leasing, and Licensing (**213**); Rental, Leasing, and Licensing for Use of TPP (**214**); Restaurant and Bars (**011**); Retail Sales (**017**); MRRRA Amount (**315**); Transporting (**006**); Use Tax Purchases (**029**); Use Tax from Inventory (**030**).

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Remote Seller and Marketplace Facilitators:

Retail Sales (**605**); Retail Sales Food for Home Consumption (**606**); Marketplace Facilitators in Arizona Retail Sales (**017**); Marketplace Facilitators in Arizona Retail Sales Food for Home Consumption (**062**); Marketplace Facilitators in AZ Third Party Sales (**605**); Marketplace Facilitators in AZ Third Party Sales Food for Home Consumption (**606**).



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### EDUCATION, TUTORIALS AND TRAINING

All ADOR workshops are free of charge. Below are upcoming options available to taxpayers. To register or access online workshops, tutorials and resources, visit [azdor.gov/taxpayer-education](https://azdor.gov/taxpayer-education).

#### **WORKSHOPS**

##### **Common TPT Errors and How to Avoid Them - (Via WebEx)**

*Wednesday, April 16, 2025*

*1:00 p.m. - 2:00 p.m.*

*Thursday, May 8, 2025*

*10:00 a.m. - 11:00 a.m.*

##### **ADOR AZ Taxes - (Via WebEx)**

*Tuesday, April 22, 2025*

*1:00 p.m. - 4:00 p.m.*

##### **ADOR Business Tax - (Via WebEx)**

*Wednesday, May 7, 2025*

*9:00 a.m. - noon*

##### **Property Management Company - (Via WebEx)**

These workshops are offered as a series and it is recommended to take them in order. Space in each class is limited so visit the [Taxpayer Education web page](#) to sign up today.

Workshop 1: Licensing and Power of Attorney

*Monday, May 12, 2025*

*10:00 a.m. - 11:30 a.m.*

Workshop 2: Engaging, Disengaging, and More

*Tuesday, May 13, 2025*

*10:00 a.m. - 11:30 a.m.*

Workshop 3: File, Pay, Amend, and More

*Wednesday, April 9, 2025*

*10:00 a.m. - 11:30 a.m.*

**ON-DEMAND TAX EDUCATION TUTORIALS:** Please visit <https://azdor.gov/taxpayer-education/tpt-tutorials>

