



# TPT Newsletter

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[July 2025](#)

## Transaction Privilege Tax Changes and News

### CUSTOMER ADVISORY ABOUT THIRD PAYMENT WEBSITES

The Arizona Department of Revenue (ADOR) advises taxpayers to only make online payments through ADOR's official payment website, [AZTaxes.gov](#). For card payments, the Department does not sanction or accept payments through third-party bill payment services outside of AZTaxes.

ADOR does not charge a fee to make payments through e-check, but credit and debit card payments result in a processing service charge.

Ensure your payment is made through [AZTaxes.gov](#), which accepts electronic corporate, withholding, and transaction privilege tax payments.

For tutorials on making an online payment, see the [Taxpayer Education](#) page.

#### Third Party YouTube videos

Similarly, be advised when accessing videos on YouTube. Some third-party videos may not have the correct information and could lead to errors when filing. When viewing instructions or tutorials, be sure that they are a video by the Arizona Department of Revenue with the name and logo featured on the video and within the ADOR YouTube Channel. You can also view ADOR tutorials on the [TPT Tutorials](#) page.

### ACCOUNT/PERIOD SELECTION FOR ELECTRONIC RETURNS

When filing an electronic TPT return, you will notice three choices listed under Month for selection. Only check the boxes that pertain to the return you are filing.

If filing a routine return, skip selection and choose Continue.

*Amended Return* - Only check if your return is to correct the figures from a previously filed return. Remember, include all correct lines and any lines that were present on the original return that do not require changes. This will replace the original return.

*No Gross Receipts* - Only check if you are filing a return with 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.

*Close Your Account/Final Return* - Only check if this is your last and final return and you would like to cancel your TPT license. Remember, you must cancel your license if you are closing or you may face penalties and renewal fees.

### GUEST CREDIT/DEBIT CARD PAYMENT OPTION

AZTaxes allows secure access for taxpayers to make individual income tax payments 24 hours a day/7 days a week.



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



[www.azdor.gov](#)



APPLY | FILE | PAY



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Businesses can make a transaction privilege tax (TPT)/use tax credit or debit card payment as a Guest using the Quick Links menu on the AZTaxes homepage. Businesses need to know their license number and business mailing zip code.

Businesses are not required to log in to their [AZTaxes](#) account to make a quick payment. Please note: Only registered business users can make an e-check payment. Service charges may apply.

## QUARTERLY FILER TPT RETURN DUE

If you are a quarterly transaction privilege tax (TPT) filer, your April to June activity is due on your June return, filed in July. Remember you must file a return for each tax period even if no tax is due and/or no sales were made. We strongly encourage taxpayers to file and pay online through [AZTaxes.gov](#) for faster processing and fewer errors.

## TPT TAX TIPS

- File/Pay online - Save time, file online at [AZTaxes.gov](#).
- If sending a paper return, use the fillable forms to reduce ADOR keying errors that may occur when interpreting a taxpayer's handwriting.
- No need to send duplicate returns. Duplicate returns create duplicate efforts and may delay processing.
- Send in a paper return with all taxpayer information. Without it, the return is delayed and can result in penalties. The taxpayer name, SSN/license number, address, and tax period must be entered to process the return to the correct account.
- Do not send a copy of your electronically filed return. We do not process these extra returns.
- If filing by paper, use Form TPT-EZ. Do not use Form TPT-1 after the July 2016 period. If you need more lines, you most likely are required to file online by law.
- No information returns, emails, and documents will be skipped and will result in possible penalties. Ensure you provide accurate and clear information so ADOR can process the information and assist you.
- File a new Form TPT-2 to amend a return. Do not use a prior paper return or e-filed copied return to amend.
- Send returns for the appropriate filing frequency. Do not send monthly returns if you are a quarterly or annual filer.

## TPT FILING ERRORS

- **Business Code Error** - Using business codes not currently included on the TPT license. Review the [tax rate table](#) for applicable business codes or the TPT and Use Tax Rate Look Up tool at [AZTaxes.gov](#).
- **Tax Rate Error** - Tax rates are missing or incorrectly entered for the return period. Check out new or archived [tax rate tables](#) for the applicable period.
- **Location Code Error** - Tax activity was reported using a location code not listed on the TPT license. Location information is available on the business' registered AZTaxes.gov account and on the TPT license.
- **Deduction Code Error** - Deductions listed in the Schedule A of the TPT return must be complete and must match the Transaction Detail Deductions to be allowed.

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

## DUE DATE REMINDERS

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

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

**July 21** - TPT return due date.



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**July 30** - Paper returns must be received at ADOR by this date.

**July 31** - 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.

## TAX CHANGES

City of Douglas - Effective date of July 1, 2025

On April 17, 2025, the Mayor and Council of the City of Douglas passed Ordinance No. 25-1207, amending the City Tax Code to decrease the tax rate on Amusements from three and eight-tenths percent (3.8%) to zero percent (0.0%) and including a three-year sunset provision, establishing severability of components of the ordinance.

The (0.0%) affects the following business classifications:  
Amusement (012).

City of Flagstaff - Effective date of July 1, 2025

On May 20, 2025, the Mayor and City Council of the City of Flagstaff passed ordinance 2025-11 thereby codifying Proposition 488 which was approved by a majority of voters on November 5, 2024, thereby continuing and increasing a local transaction privilege tax rate from twenty-nine hundredths and five thousandths percent (0.295%) to five tenths of a percent (0.500%) for the purposes of public transit; amending the Flagstaff City Code, Title 3, Business Regulations by adopting the 2025 City Tax Code Amendments as set forth in the public record on file with the City Clerk relating to the codification of voter approved sales tax rates and Model City Tax Code Updates; providing for repeal of conflicting Ordinances, severability, and clerical corrections.

The (2.486%) affects the following business classifications:

Advertising (018); Amusements (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 Extraction (020); Publication (009); Utilities (004); Hotels (044); Commercial Rental, Leasing, and Licensing for Use (213); Rental, Leasing, and Licensing for Use of TPP (214); Restaurant and Bars (011); Retail Sales (017); MRRA Amount (315); Communications (005); Transporting (006); 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); Marketplace Facilitators in Arizona Retail Sales (017); Marketplace Facilitators in Arizona Third Party Sales (605).

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 -







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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); MRRA Amount (315); Transporting (006); 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 Arizona Third Party Sales (605); Marketplace Facilitators in Arizona Third Party Sales Food for Home Consumption (606).

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

On May 20, 2025, the Mayor and City Council of the City of Scottsdale passed ordinance 4676, thereby amending Appendix C of the Scottsdale Revised Code to decrease the Privilege Tax rate to one and seven tenths percent (1.70%) and to change the Use Tax rate to one and five tenths percent (1.50%).

## The (1.70%) 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); MRRA Amount (315); Transporting (006); Utilities (004); Wastewater Removal Services (485).

## 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).

## 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 Arizona Third Party Sales Food for Home Consumption (606).

## The (1.50%) affects the following business classifications:

Use Tax Purchases (029); Use Tax from Inventory (030).

## Medical and Adult Use Marijuana:

Use Tax Purchases (029); Use Tax From Inventory (030).

## Cochise County - Effective date of August 1, 2025

On June 3, 2025, the Board of Directors of the Cochise County Jail District passed Jail District Resolution No. 25-02, which ended the collection of the Cochise County Jail District excise tax. This resolution decreases the total state and county combined tax by 0.313% or 0.5% depending on the business classification. As of August 1, 2025, the total combined rate for *most* transactions will be 6.1%.

The following categories will have a 6.1% combined total tax rate on August 1, 2025:





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Utilities (004); Communications (005); Transporting (006); Private Railcar (007); Pipelines (008); Publishing (009); Job Printing (010); Restaurant and Bars (011); Amusement (012); Rental of Personal Property (014); Contracting - Prime (015); Retail Sales (017); Use Tax-Utilities (026); Medical Marijuana Retail Sales (203); Medical Marijuana Restaurant and Bars (221); MRRA (315); Peer-to-Peer Car Sharing (414); Adult Use Marijuana Retail Sales (420); Adult Use Marijuana Restaurant and Bars (421); Remote Sales/Marketplace Facilitator for Retail Sales (605).

The total combined tax rate for Non metal mining (002) will be 3.437%.

The total combined tax rate for Transient Lodging (Hotel/Motel) (025) and Online Lodging Marketplace (325) will be 6.05%.

The total combined tax rate for Jet Fuel Excise Tax (049) will be 3.355¢.

**For Prime Contractors:** Effective August 1, 2025, all contracting activity should be reported under business code 015. Activity previously reported using business code 118 should now be reported using business code 015.

## City of Maricopa - Effective date of October 1, 2025

On May 6, 2025, the Mayor and City Council of the City of Maricopa passed ordinance 25-06, thereby amending the city tax code to increase the general transaction privilege tax rate by one-half percent (0.5%); excluding the tax classes of Hotels, Hotels/Motels, additional Transient Lodging and Retail Sales, Food for Home Consumption from the general rate increase, and providing for Severability.

The (0.5%) affects the following business classifications:

Advertising (018); 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); Commercial, Rental, Leasing, and Licensing (213); Rental, Leasing, and Licensing for Use of TPP (214); Restaurant and Bars (011); Retail Sales (017); MRRA 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); Marketplace Facilitators in Arizona Retail Sales (017); Marketplace Facilitators in Arizona Third Party Sales (605).

## 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 the [Taxpayer Education web page](#).

### WORKSHOPS

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

Wednesday, July 16, 2025

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



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**Wednesday, August 6, 2025**

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

**ADOR AZTaxes- (Via WebEx)**

**Tuesday, July 22, 2025**

**9:00 a.m. - noon**

**ADOR Business Tax - (In-Person)**

**City of Tempe**

**3550 S Rural Rd**

**Tempe, AZ 85282**

**Wednesday, July 30, 2025**

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

**ADOR Property Owner Basics - (Via WebEx)**

**Thursday, July 31, 2025**

**9:00 a.m. - noon**

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

**Tuesday, August 5, 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, August 11, 2025**

**1:00 p.m. - 2:30 p.m.**

**Workshop 2: Engaging, Disengaging, and More**

**Tuesday, August 12, 2025**

**1:00 p.m. - 2:30 p.m.**

**Workshop 3: File, Pay, Amend, and More**

**Wednesday, August 13, 2025**

**1:00 p.m. - 2:30 p.m.**

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



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