



TPT Newsletter

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August 2025

Transaction Privilege Tax Changes and News

TRANSACTION PRIVILEGE TAX RATE TABLE NOW AVAILABLE IN CSV FORMAT

You asked, and we delivered! Based on your feedback, the Arizona Department of Revenue (ADOR) is now providing taxpayers a Comma Separated Value (CSV) version of the Transaction Privilege Tax (TPT) Rate Table. This downloadable CSV file format features TPT rates for all business classifications, which also includes remote seller and marketplace facilitator tax rates.

Previously, the TPT Rate Table was published on azdor.gov in PDF format only. Feedback indicated that this did not allow for filtering, sorting, and data extraction capabilities which the CSV file will provide. Customers will be able to efficiently access the specific information they need, especially when handling large volumes of data.

The CSV file will be updated monthly and posted once the ADOR system produces an updated file but may be posted after the PDF version.

The [Tax Rate Table web page](#) has been updated to include this new file and updated TPT Rate Tables to indicate the format of the files.

MARIJUANA BUSINESSES

AZTaxes adult use marijuana establishments must remit TPT and marijuana excise tax (MET) to ADOR. Establishments who sell marijuana are responsible for paying TPT on all marijuana products sold, as well as TPT and MET on adult use marijuana products sold immediately upon being licensed by the Arizona Department of Health Services.

ADOR wants to provide best practices and tips to comply properly.

- For quick payments, businesses can pay a TPT liability on AZTaxes.gov under the “Make a Payment” link. For MET, businesses must login to their account to make a payment.
- File and pay the Marijuana Excise Tax using the MET-1, not as excess (additional) tax on the TPT return.
- To protect the safety for all parties involved and to expedite the process, all payments, both TPT and MET, should be paid online via AZTaxes.gov.
- When filing an electronic MET-1, be sure that all inventories reported for the various product types are reported using the same unit of measurement (i.e. grams, ounces, pounds). “Each” is not an acceptable unit of measure as “each” item contains a varying amount of THC.
- File and pay for the proper filing period and amend if a correction needs to be made.
- Businesses must file and pay beginning with the start date of their business. If delinquent returns exist, file as soon as possible to avoid further penalties.

If you have questions about filing or paying, contact DispensaryService@azdor.gov.



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



www.azdor.gov



APPLY | FILE | PAY



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TPT ACCOUNT UPDATES

ADOR encourages TPT taxpayers to ensure their account information is up to date. [AZTaxes.gov](https://www.aztaxes.gov) enables registered businesses to update their accounts, but they must have an e-signature PIN to make changes.

On [AZTaxes.gov](https://www.aztaxes.gov), taxpayers can do the following:

- Change their mailing address on corporate, withholding, and transaction privilege and use tax licenses.
- Add, edit, and/or close locations for TPT licenses.
- Cancel or close an existing TPT license or single location on a TPT license.
- Add a new reporting jurisdiction, business code, or business or rental location.

To update the primary user, taxpayers can also download and submit a [Business Account Update Form](#) to ADOR.

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 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.

TPT TAX TIPS

- When filing on [AZTaxes.gov](https://www.aztaxes.gov), you receive a confirmation number and acknowledgement that ADOR received your return and payment.
- Avoid the hassle of mailing your return and payment by filing online. Reduces paper, postage, and time.
- Only use black ink on white paper to file a return. This helps ensure your handwriting is clear and easy to read; permanent markers can make it hard to interpret handwriting.
- Only send one return per envelope.
- If you have more than one location, you are required to file electronically. Businesses with an annual TPT and use tax liability of \$500 or more during the prior calendar year are required to file and pay electronically. Failure to comply with the electronic filing and payment requirements may result in penalties.
- Even if you had no sales and/or tax due for the filing period, you must still file a \$0 TPT return by checking the “No Gross Receipts” box.

DUE DATE REMINDERS

TPT Filing Frequency and Due Dates*- Monthly

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

August 20 - TPT return due date.

August 28 - Paper returns must be received at ADOR by this date.

August 29 - 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.



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TAX CHANGES

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: 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).

Maricopa County/City of Phoenix - *Effective date of October 1, 2025*

On June 27, 2025, Governor Katie Hobbs signed Laws 2025, Chapter 251 (House Bill 2704) which established a county stadium district fund. This fund will be sourced from state, city, and county road TPT collections from certain transactions within the stadium district. The legislation did not authorize any new taxes, but rather a





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diversion of existing tax revenues into the county stadium district fund to be used for capital repairs, reconstruction, replacement, maintenance, and improvements within the stadium district.

For all businesses within the boundaries of the county stadium district: Effective October 1, 2025, all activity should be reported under County Region Code MCZ and City Region Code PZ.

Town of Clifton - *Effective date of October 1, 2025*

On July 22, 2025, the Mayor and Council of the Town of Clifton passed ordinance 02-2025, thereby amending the town tax code to increase the tax rate for the Hotels classification from three percent (3%) to five percent (5%); establishing an additional tax on Transient Lodging of five percent (5%) and removing Model Option #6; adopting a local Use tax of three percent (3%) and removing Model Option #15; revising the tiered rate threshold of a single item portion over \$9,999 under the Retail classification to \$10,000 and establishing a tiered rate for the Use tax classification of a single item portion over \$10,000; selecting Local Option JJ to exempt the Town from the town's Use tax; providing for severability.

The following table indicates the rates that are changing/added. Other rates remain the same.

Business Code	Description	Old Rate	New Rate (October 1, 2025)
044	Hotels	3.00	5.00
144	Hotel/Motel (Additional Tax)		5.00
377	Retail Sales (Single Item Portion over \$9,999)	2.00	
367	Retail Sales (Single Item Portion over \$10,000)		2.00
029	Use Tax Purchases		3.00
369	Use Tax Purchases (Single Item Portion over \$10,000)		2.00
030	Use Tax from Inventory		3.00
Medical and Adult Use Marijuana:			
658	Medical Marijuana Retail Sales - Single Item Portion over \$9,999	2.00	
673	Medical Marijuana Retail Sales - Single Item Portion over \$10,000		2.00
658	Adult Use Marijuana Retail Sales - Single Item Portion over \$9,999	2.00	



673	Adult Use Marijuana Retail Sales - Single Item Portion over \$10,000		2.00
377	Retail Sales (Accessories/ Ancillary Products) - Single Item Portion over \$9,999	2.00	
367	Retail Sales (Accessories/ Ancillary Products) - Single Item Portion over \$10,000		2.00
029	Use Tax Purchases		3.00
369	Use Tax Purchases - Single Item Portion over \$10,000		2.00
030	Use Tax from Inventory		3.00
Remote Sellers and Marketplace Facilitators:			
617	Retail Sales - Single Item Portion over \$9,999	2.00	
367	Retail Sales - Single Item Portion over \$10,000		2.00
377	Marketplace Facilitators in Arizona Retail Sales - Single Item Portion over \$9,999	2.00	
367	Marketplace Facilitators in Arizona Retail Sales - Single Item Portion over \$10,000		2.00
617	Marketplace Facilitators in Arizona Third Party Sales - Single Item Portion over \$9,999	2.00	
367	Marketplace Facilitators in Arizona Third Party Sales - Single Item Portion over \$10,000		2.00





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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 the [Taxpayer Education web page](#).

WORKSHOPS

ADOR Business Tax Basics- (Via WebEx)

Tuesday, August 19, 2025

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

Tuesday, September 2, 2025

9:00 a.m. - noon

Monday, September 15, 2025

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

ADOR Business Tax - (In-Person)

Town of Gilbert

50 E Civic Center Dr

Gilbert, AZ 85296

Wednesday, August 20, 2025

10:00 a.m. - 1:00 p.m.

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

Wednesday, August 20, 2025

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

Wednesday, September 3, 2025

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

ADOR Business Tax - (In-Person)

City of Peoria

8401 W Monroe St

Peoria, AZ 85345

Thursday, August 21, 2025

10:00 a.m. - 1:00 p.m.

ADOR Withholding Tax for Employers and Payroll Service Providers - (Via WebEx)

Thursday, August 26, 2025

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

ADOR Automobile Dealer - (Via WebEx)

Thursday, August 28, 2025

9:00 a.m. - noon





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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>.

