

ALL TPT-2 DEDUCTION CODES w/ <i>Abbreviated Descriptions</i> of Statutory Text and/or Model City Tax Code Authority <i>Effective for periods October 2019 and forward</i>	STATE BUSINESS CODES	CITY BUSINESS CODES
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LEGEND (Abbreviations) and BUSINESS CODE LISTINGS at end of this document.

STATE DEDUCTION CODES & CITY DEDUCTION CODES: (CITY-SPECIFIC DEDUCTION CODES THAT ONLY APPLY IN CERTAIN LISTED CITIES, ARE INDICATED)		
<b>500</b> - PC: MAINTAIN-REPAIR-REPLACE-ALTER CONTRACT with PROPERTY OWNER	15	15 - 16 - 37
<b>501</b> - MV MANUFACTURER CASH REBATE Assigned from PURCHASER to SELLER	17 – 29 – 203-420-605	17 – 29 -203-420- 605
<b>502</b> - PC: 35% DEDUCTION Allowed	15	15 - 16 - 37
<b>503</b> - RESALE - Sales for Resale	4-5-10-11-13-14-17-29-41-49 – 203-420-605	4-5-10-17-29-45-49-62-114-203-213-214-313 – 420- 605-606
<b>504</b> - RET: INTERSTATE or FOREIGN COMMERCE Sales	17-203-420	10 - 17 - 49 - 62 – 116-203-420-605 - 606
<b>505</b> - RET: COLLEGE TEXTBOOKS required by State University or Community College <i>This Deduction is allowed for State Reporting only. See below for city reporting</i>	17 – 29 - 605	SEE CITY SPECIFIC CODE 738 BELOW
<b>CITY SPECIFIC CODE:</b> <b>738</b> - EXEMPT COLLEGE TEXTBOOK SALES <u>Specific Cities</u> : (A.R.S. 42-6017 C.2 ) Eagar, Maricopa, Pima, Springerville, Tusayan	N/A	17 - 29 - 605
<b>506</b> - FOOD sold by a RETAILER for HOME CONSUMPTION <i>This Deduction is allowed for State Reporting but only for the specified cities below</i> <u>Specific Cities:</u> (A.R.S. 42-6017 C.1): Bullhead City, Camp Verde, Colorado City, Flagstaff, Huachuca City, Jerome, Kingman, Lake Havasu City, Marana, Mesa, Oro Valley, Parker, Phoenix, Quartzsite, Sahuarita, Sedona, Superior, Surprise, Tombstone, Tucson, Tusayan, Williams	17 – 29 - 605	17 – 29 - 605
<b>507</b> - FOOD RETAIL Sales to RESTAURANT	17 – 29 -605	17 - 29 – 62- 605-606
<b>508</b> - AIRCRAFT sold to CARRIER, GOVT, NONRES	14 - 17 – 29 - 605	17 - 29 – 214- 605
<b>509</b> - FUEL: NAT GAS or LPG for MOTOR VEHICLE	4 - 17 – 29 -605	4 - 17 – 29- 605

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<b>LEGEND (Abbreviations) and BUSINESS CODE LISTINGS at end of this document.</b>		
<b>511</b> - UTIL - FUEL: sold to QUALIFIED ENVIRONMENTAL TECHNOLOGY	4 - 17 – 29- 605	17 – 29 - 605
<b>512</b> - FOOD to AIRLINE that is provided FREE to PASSENGERS	11 - 17 – 29- 605- 221-421	11 - 17 - 29 – 111 -605- 221-421
<b>513</b> - FOOD Purchased with SNAP cards	11-111-221-421	11-221-222-421-422-62- 606
<b>514</b> - FOOD for ARIZ PRISON or JAIL	11 – 221-421-17 – 29- 605	17 – 62- 605 - 606
<b>515</b> - FUEL: Taxed Motor Vehicle, USE, AVIATION or JET Fuel	14 - 17 – 29- 605	17 – 29 -605
<p><b>516</b> - LIVESTOCK POULTRY Growth Implants or Meds <i>This Deduction is allowed for State Reporting but only for the specified cities below.</i></p> <p><u>Specific Cities</u> (A.R.S. 42-6017 C. 3. (c)):</p> <p>Bullhead City, Buckeye, Camp Verde, Casa Grande, Chandler, Chino Valley, Colorado City, Duncan, Gilbert, Huachuca City, Mammoth, Maricopa, Mesa, Oro Valley, Phoenix, Pima, Quartzsite, Queen Creek, Scottsdale, Sedona, Snowflake, St. Johns, Thatcher, Tucson, Willcox, Winslow, Yuma.</p> <p><u>Eff. 01/01/2020</u>-Avondale, Flagstaff, Glendale, Goodyear, Lake Havasu, Peoria, Surprise, Tempe <u>Eff. 07/01/2021</u>-Apache Junction, Benson, Bisbee, Camp Verde, Carefree, Cave Creek, Clarkdale, Clifton, Coolidge, Cottonwood, Dewey Humboldt, Douglas, Eagar, El Mirage, Eloy, Florence, Fountain Hills, Fredonia, Gila Bend, Globe, Guadalupe, Hayden, Holbrook, Jerome, Kearny, Kingman, Litchfield Park, Marana, Miami, Nogales, Page, Paradise Valley, Parker, Patagonia, Payson, Pinetop-Lakeside, Prescott, Prescott Valley, Safford, Sahuarita, San Luis, Show Low, Sierra Vista, Somerton, South Tucson, Springerville, Star Valley, Superior, Taylor, Tolleson, Tombstone, Tusayan, Wellton, Wickenburg, Williams, Winkelman, Youngtown</p>	17-29-605	17-605
<b>517</b> - TELEC: INTERNET ACCESS fees	5	5
<b>518</b> - PC: LAND DEDUCTION not exceeding Fair Market Value	15	N/A
<b>519</b> - LIBRARY MATERIALS to PUBLIC Libraries	17 – 29 - 605	17 – 29 - 605

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<b>520</b> - LIVESTOCK POULTRY Feed etc. to These Animals' OWNERS or NONCOMMERCIAL BOARDERS <i>This Deduction is allowed for State Reporting only. See below for city reporting</i>	17 – 29 -605	SEE <i>CITY SPECIFIC CODE 720 BELOW</i>
<b>720</b> - LIVESTOCK POULTRY Feed etc. to These Animals' OWNERS or NONCOMMERCIAL BOARDERS <i>This Deduction is allowed for the specified cities below.</i> <u>Specific Cities</u> (A.R.S. 42-6017 C. 3. (b)):  Bullhead City, Buckeye, Camp Verde, Casa Grande, Chandler, Chino Valley, Colorado City, Duncan, Gilbert, Huachuca City, Mammoth, Maricopa, Mesa, Oro Valley, Phoenix, Pima, Quartzsite, Queen Creek, Scottsdale, Sedona, Snowflake, St. Johns, Thatcher, Tucson, Willcox, Winslow, Yuma.	SEE <i>STATE SPECIFIC CODE 520 ABOVE</i>	17 – 29 -605
<b>521</b> - LOTTERY TICKETS by Retailer	17 – 29 -605	17 – 29 -605
<b>522</b> - M&E used directly in MANUFACTURING, PROCESSING, FABR, PRINTING Etc.	14 - 17 - 29 – 129- 605	17 - 29 – 214- 605
<b>523</b> - M&E for COMMERCIAL MINING Operation Used Directly extract ores or minerals	14 - 17 - 29 – 129- 605	17 - 29 – 214- 605
<b>524</b> - M&E for ELECTRIC UTILITY business	14 - 17 - 29 – 129 -605	17 - 29 – 214- 605
<b>525</b> - M&E or Technology to Assist DISABLED to be FUNCTIONAL	17 – 29- 605	17-605
<b>526</b> - DURABLE MED EQUIP - Rx & HCPC # for Home Use	14 - 17 – 29 605	17 - 29 – 214 - 605
<b>527</b> - AMUSE: Monthly MEMBERSHIP Fees	12	N/A
<b>528</b> - MV + Parts sold to MOTOR CARRIER LESSOR	17 – 29 - 605	17 – 29 - 605
<b>529</b> - MV sold at AUCTION to NONRESIDENT	17 -605	17 - 605
<b>530</b> - MV sold to NATIVE AMERICAN who resides on RESERVATION <i>No deduction is allowed for the cities for this type of transaction, it remains taxable.</i>	17 -605	N/A
<b>531</b> - MV to NONRESIDENT from STATE with Lower Tax Rate (COMPUTATION) <i>No deduction is allowed for the cities for this type of transaction, it remains taxable.</i>	17 -605	N/A
<b>532</b> - M&E to Repair CARRIER AIRCRAFT	14 - 17 – 29- 605	17 - 29 – 214 - 605

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<b>533</b> - INSULIN + SYRINGES + TEST STRIPS	17 – 29 -605	17 – 29 - 605
<b>534</b> - Guest PERSONAL HYGIENE ITEMS sold to TRANSIENT LODGING BUSINESS	17 – 29 -605	17 – 29 -605
<b>535</b> - PIPES VALVES 4"or LARGER for WATER-OIL- GAS-COAL SLURRY including related	14 - 17 – 29- 129- 605	17 - 29 – 214- 605
<b>536</b> - DRUGS - OXYGEN Prescribed by DOCTOR	14 - 17 – 29 -605	17 - 29 – 214 -605
<p><b>537</b> - RET: PROPAGATIVE MATERIALS, includes seeds etc. to commercial business. (Does Not include the Genus Cannabis)<i>This Deduction is allowed for State Reporting but only for the specified cities below.</i></p> <p><u>Specific Cities</u> (A.R.S. 42-6017 C. 3. (a)):</p> <p>Bullhead City, Buckeye, Camp Verde, Casa Grande, Chandler, Chino Valley, Colorado City, Duncan, Gilbert, Huachuca City, Mammoth, Maricopa, Mesa, Oro Valley, Phoenix, Pima, Quartzsite, Queen Creek, Scottsdale, Sedona, Snowflake, St. Johns, Thatcher, Tucson, Willcox, Winslow, Yuma.</p> <p><u>Eff. 01/01/2020</u>-Avondale, Flagstaff, Glendale, Goodyear, Lake Havasu, Peoria, Surprise, Tempe</p> <p><u>Eff. 07/01/2021</u>-Apache Junction, Benson, Bisbee, Camp Verde, Carefree, Cave Creek, Clarkdale, Clifton, Coolidge, Cottonwood, Dewey Humboldt, Douglas, Eagar, El Mirage, Eloy, Florence, Fountain Hills, Fredonia, Gila Bend, Globe, Guadalupe, Hayden, Holbrook, Jerome, Kearny, Kingman, Litchfield Park, Marana, Miami, Nogales, Page, Paradise Valley, Parker, Patagonia, Payson, Pinetop-Lakeside, Prescott, Prescott Valley, Safford, Sahuarita, San Luis, Show Low, Sierra Vista, Somerton, South Tucson, Springerville, Star Valley, Superior, Taylor, Tolleson, Tombstone, Tusayan, Wellton, Wickenburg, Williams, Winkelman, Youngtown</p>	17 – 29 - 605	17-29 - 605
<b>538</b> - SOLAR ENERGY DEVICES	14 - 17 – 29- 605	17 - 29 – 214- 605
<b>539</b> - M&E Etc. to TELECOMMUNICATIONS Business	14 - 17 - 29 129 - 605	17 - 29 – 214 - 605
<b>541</b> - MV to NONRESIDENT that is shipped OUT-OF-STATE by RETAILER	17 - 605	17 - 605
<b>542</b> - RETAIL WARRANTY or SERVICE Contract	17 – 29 - 605	17 – 29 - 605

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543 - USGOV: Sale to MMAR for GOVT Contract	2 - 17 - 605	17 - 605
544 - TPP to NONPROFIT ORG that gives FREE MEALS to NEEDY on a regular basis	14 - 17 - 29-203-414-420-605	17 -203-420-605
545 - TPP to QUALIFIED HEALTH CARE ORG used for Health & Medical Purposes ONLY	4 - 8 - 9 - 10 - 11 - 14 - 17 - 29- 203-414-420-605	<i>17- 203-420-605 DED CODE 671 BELOW FOR ALL OTHER BUSINESS CLASSIFICATIONS</i>
546 - TPP/SVC to QUALIFIED HOSPITAL for ANY PURPOSE	4 - 8 - 9 - 10 - 11 - 14 - 17 29 -203-414-420-605	4 - 9 - 10 - 11 - 17 - 29 - 49 - 51 - 111 - 114 - 203-214-420-485-605
547 - USGOV: Sale by MMAR to U.S. GOVT	14 - 17 -414-605	17 -605
548 - USGOV: RETAIL Sales Allowed 50% TPT Income Deduction (100% USE TAX DEDUCTION)	17 - 29 - 605	17 - 29 - 605
549 - RETAIL: SERVICES Provided by SELLER	17 - 29 -203-420-605	<i>17-62-203-420-605-606 DED CODE 750 BELOW FOR ALL OTHER BUSINESS CLASSIFICATIONS</i>
550 - PC: SUBCONTRACTING INCOME	15	15
551 - TAX COLLECTED or FACTORED included in Gross Receipts	2-4-5-6-7-8-9-10-11-12-13-14-15-17-19-25-26-29 -33-49-51-56 -203-414-420-325-605	4-5-6-9-10-11-12-15-16-17-18-19-20-27-29-37-40-44-45-49-51-62-111-114-116-144- 203-213- 214- 244 - 313 - 325 -420- 485-605-606
552 - TPP sold to TPT Licensee for Incorporation into PRIME CONTRACTING or MRRRA Project	2 - 17 - 29- 605	17 - 29- 605
553 - M&E used in Research & Development	14 - 17 - 29 - 129 - 605	17 - 29 - 214 - 605
554 - M&E used in HEALTHY FOREST PROJECT	17 - 29 - 605	17- 29 - 605
555 - PC: HEALTHY FOREST Structure	15	N/A
556 - PPR: 1 <sup>st</sup> Month Lease Payment Transferred to 3 <sup>rd</sup> PARTY LEASING COMPANY	14	N/A
557 - PC: Cost of ARCHITECTURAL or ENGINEERING Service	15	15 - 16 - 37

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<b>558</b> - BAD DEBT DEDUCTION  (See Arizona Administrative Code (“A.A.C.”) rule R15-5-2011)	2-4-5-6-7-8-9-10-11-12-13-14-15-17-19-25-26-29- 33-41-49-51-56 –203-325-414-420-605	4-5-6-9-10-11-12-15-16-17-18-19-20-27-29-37-40-44-45-49-51-62-111-114-116-144- 203-213- 214- 244- 313 - 325- 420– 485-605-606
<b>559</b> - PROSTHETIC <i>Prescribed</i> by MEDICAL PROFESSIONAL	14 - 17 – 29- 605	17 - 29 – 214 - 605
<b>560</b> - PC: DEVELOPMENT FEES paid	15	15 - 16 - 37
<b>561</b> - JOB PR: Cost of POSTAGE FREIGHT	10	10
<b>562</b> - PC: Sale of USED MFTRD HOME	15	27
<b>563</b> - GAS for COMPRESSOR EQUIPMENT	29 - 129	29
<b>564</b> - RET: 3% of Income Sub to E911 Tax	912	N/A
<b>565</b> - COMPUTER DATA CENTER EQUIPMENT <i>Eff. 10/01/2021:</i> Includes rental of TPP	014 - 17 – 29 -605	214 - 17 – 29 - 605
<b>566</b> - FOOD ITEMS provided FREE to TRANSIENT LODGER	17 – 29 - 605	17- 605
<b>567</b> - RET: Sale of CASH EQUIVALENTS	17 – 29 -605	17 – 29 - 605
<b>568</b> - FOOD to RESTAURANT for EMPLOYEES during WORK HOURS	17 - 29 – 129- 605	17 – 29 - 605
<b>569</b> - FOOD to SCHOOL DISTRICT or CHARTER SCHOOL used during SCHOOL HOURS	11 - 17 – 29 -221- 421- 605	11 - 17 - 29 – 62 – 221- 222-421-422-605 - 606
<b>570</b> - BUSINESS ACTIVITY for ENROLLED NATIVE AMERICAN or TRIBAL ENTITY that OCCURS <u>ON</u> RESERVATION <i>STATE BUS CODES can ONLY be used with INDIAN RESERVATION REGION CODES.</i>  <i>CITY BUS CODES 4 and 5 can be used by ALL CITIES.</i> <i>All Other CITY BUS CODES can ONLY be used for business activities ON RESERVATIONS located within the City Limits of CAMP VERDE (CE), GLENDALE (GE) or PARKER (PK).</i>	4 - 5 - 6 - 9 - 10 - 11 - 12 -13 - 14 - 15 - 17 - 25 – 29 - 203-420-605	4 - 5 - 6 - 9 - 10 - 11 - 12 - 15 - 16 - 17 - 27 - 44 - 133 -144 -203- 213 - 214 – 313-420 - 605
<b>571</b> - TPP to PERSONAL PROPERTY LEASING BUSINESS to LEASE	17 – 29 -605	17 – 29 -605
<b>572</b> - TPP to QUAL COMMUNITY HEALTH CENTER	14 - 17 – 29- 203- 414-420-605	4 - 9 - 10 - 11 - 17 - 29 - 111 -114 -203-214 -420- 485-605

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573-TPP/ PC: NONPROFIT ORG APT HOUSING for Low Income Persons Over 62	14 - 15 - 17 – 29 - 203-414-420-605	17- 203-420-605
574 - TPP to QUALIFIED HEALTH CARE ORG for handicapped children	14 - 17 – 29 – 203-414-420-605	17-114 –203- 214 -420-605
575 - TPP to NONPROFIT ORG for HANDICAP Program	14 - 17 – 29 -203-414-420-605	17 - 29 - 114 –203- 214-420- 605
576 - RAILROAD Stock Rails Signal Equipment	14 - 17 – 29 -605	17 - 29 – 214 - 605
577 - M&E for POULTRY & EGG Production	14 - 17 – 29 -605	17 - 29 – 214 - 605
578 - M&E for TV STATION DIGITAL BROADCAST	14 - 17 – 29 605	17 - 29 – 214 - 605
579 - M&E used to DRILL or EXTRACT OIL or GAS for Commercial Purposes	14 - 17 - 29 – 129-605	17 - 29 – 214 -605
580 - MV to NONRESIDENT from STATE that does not provide a TAX CREDIT <i>No deduction is allowed for the cities for this type of transaction, it remains taxable.</i>	17- 605	N/A
581 - GROUNDWATER MEASURING DEVICES	14 - 15 - 17 – 29-605	15 - 16 - 17 - 29 - 37 – 214-605
582 - ORTHODONTIC DEVICES dispensed by a DENTIST	17-605	17-605
583 - Commodities Sales warehoused in AZ	17-605	17-605
584 - TPP sold to Form 5009L Subcontractor for Incorporation into PRIME CONTRACTING Project	2 - 17 – 29-605	17 – 29-605
585 - M&E used for COMMERCIAL AGRICULTURE Crops and Products	14 - 17 – 29 -605	17 -605
585 - M&E used for COMMERCIAL AGRICULTURE Crops and Products. <i>This Deduction allowed for the specified cities below and only for use tax (bus. code 029) and Rental of TPP (bus. Code 214)</i> <u>CITIES:</u> Buckeye, Casa Grande, Duncan, Fountain Hills, Lake Havasu, Marana, Maricopa, Parker, Pima, Tucson, Willcox	<i>DEDUCTION CODE 585 IS USED FOR THESE SPECIFIC BUSINESS CLASSIFICATIONS FOR THESE LISTED CITIES</i>	29 - 214
586 - CLOTHING for Paper Manufacturing	17 – 29 - 605	17 – 29 - 605
587 - ALT FUEL to USED OIL FUEL BURNER	4 - 17 – 29 -605	4 - 17 – 29 - 605

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588 - LIQUOR by LIQUOR WHOLESALER	17 -605	17 -605
589 - ENVIRONMENTAL RESPONSE & REMEDIATION	2 - 15 - 17 – 29 - 605	15 - 17 – 29- 605
590 - EYEGLASSES CONTACTS Sold on RX	17 – 29- 605	17 – 29 -605
591 - TPP Used by SATELLITE TV-DATA TRANSMISSION SERVICE	14 - 17 – 29 -605	17 - 29 – 214 - 605
592 - ALTERNATIVE FUEL VEHICLES	14 - 17 – 29 -605	17 - 29 - 114 – 214 -605
593 - PPR: RENTALS OF PERSONAL PROPERTY SHIPPED & USED EXCLUSIVELY OUT-OF-STATE	14	214
594 - HEARING AIDS but not batteries	14 - 17 – 29 -605	17 - 29 – 214 -605
595 - CLEAN ROOM for SEMICONDUCTORS	14 - 15 - 17 - 29 – 129 -605	15 - 16 - 17 - 29 - 37 214 - 605
596 - APPLICATION SERVICES to TEST Students	5 - 14 - 17 – 29 - 605	5 - 17 - 29 - 133 – 214- 605
597 - M&E to meet Fed & State POLLUTION Rules or	14 - 17 - 29 – 129 605	17 - 29 – 214- 605
598 - FUEL to HEALTHY FOREST BUSINESS	17 – 29 -605	17- 605
599 - M&E to PREVENT POLLUTION Farm Ranch	14 - 15 - 17 – 29 - 605	17-15 - 16 – 37- 605
600 - PC: Install Repair Etc of TPP that has INDEPENDENT FUNCTIONAL UTILITY	15	15 - 16 - 37
601 - RET: PRECIOUS METALS and COINS	17 – 29- 605	17 – 29- 605
602 - MAGAZINES promote AZ TOURIST TRAVEL	9 - 17 – 29 -605	17 – 29 - 605
603 - M&E Repair Parts HEALTHY FOREST PROJECT	17 – 29 -605	17-605
604 - RENEWABLE ENERGY CREDIT Sales or Transfers	4 - 17 – 29 -605	4 - 17 – 29 -605
605 - NEAT ANIMALS HORSES used for BREEDING, Also LIVESTOCK POULTRY TO COMM BUS <i>This Deduction Code is allowed for State Reporting only, see below for City reporting.</i>	14 - 17 – 29 -605	N/A



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<p><b>736 - NEAT ANIMALS HORSES</b> used for BREEDING, Also LIVESTOCK POULTRY TO COMM BUS. <i>This Deduction is allowed for the specified cities below.</i></p> <p><u>Specific Cities</u> (A.R.S. 42-6017 C. 3. (d)): Casa Grande, Colorado City, Huachuca City, Mammoth, Maricopa, Pima, Queen Creek, Scottsdale, Snowflake, Tucson, Willcox</p> <p><u>Eff. 01/01/2020</u>-Avondale, Buckeye, Chandler, Flagstaff, Gilbert, Glendale, Goodyear, Lake Havasu, Mesa, Peoria, Phoenix, Surprise, Tempe, Yuma</p> <p><u>Eff. 07/01/2021</u>-Apache Junction, Benson, Bisbee, Bullhead City, Camp Verde, Carefree, Cave Creek, Chino Valley, Clarkdale, Clifton, Coolidge, Cottonwood, Dewey, Humboldt, Douglas, Duncan, Eagar, El Mirage, Eloy, Florence, Fountain Hills, Fredonia, Gila Bend, Globe, Guadalupe, Hayden, Holbrook, Jerome, Kearny, Kingman, Litchfield Park, Marana, Miami, Nogales, Oro Valley, Page, Paradise Valley, Parker, Patagonia, Payson, Pinetop-Lakeside, Prescott, Prescott Valley, Quartzsite, Safford, Sahuarita, San Luis, Sedona, Show Low, Sierra Vista, Somerton, South Tucson, Springerville, St. Johns, Star Valley, Superior, Taylor, Thatcher, Tolleson, Tombstone, Tusayan, Wellton, Wickenburg, Williams, Winkelman, Winslow, Youngtown</p>	N/A	17-605
<b>606</b> - BUS or URBAN MASS TRANSIT VEHICLE	14 - 17 – 29 - 605	17 - 29 – 214 - 605
<b>607</b> - ENVIRONMENTAL TECH FACILITY	14 - 15 - 17 – 29 - 605	17 – 29 - 605
<b>608</b> - PC: COST of 508 DED in Gross Income	15 - 315	15 - 16 - 37 - 315
<b>609</b> - RET: FET on HEAVY TRUCK TRAILER	17-605	17-605

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611 - RET: OVERHEAD MATERIALS for US GOVT CONTRACT	17 - 29 – 129 - 605	17 – 29 -605
612 - TRANSPORTATION or AMUSEMENT: ARRANGED & EXEMPT	6 - 12	6 - 12
613 - RET: WASTE TIRE DISPOSAL FEE	17-605	17-605
614 - RET: WIRELESS EQUIPMENT SALES COMMISSION	17-605	17-605
615 - TRANSPORT of PERSONS by AIR if preempted by FEDERAL LAW	6	N/A
616 - TRANSP: RAILROAD <i>INTERSTATE</i>	6	6
617 - ELECTRICITY SENT OUT-OF-STATE	4 - 29	N/A
618 - UTIL: SOLAR CUSTOMER TRANSFERS	4	4
619 - TELEC: SVCS SAT TV / DATA TRAN	5	N/A
620 - TRANSP: RAILROAD RESALE	6	N/A
621 - UTIL: DEVELOPMENT FEES )	4 - 29	4
622 - PC: COST of 522 DED in Gross Income	15 - 315	15 - 16 - 37 - 315
623 - PC: COST of 523 DED in Gross Income	15 - 315	15 - 16 - 37 - 315
624 - PC: COST of 524 DED in Gross Income	15 - 315	15 - 16 - 37 - 315
625 - TRANSP: RAILROAD TRANSPORT of FERTILIZER	6	N/A
626 - UTIL: INSTALLED PROP REIMBURSEMENT	4 - 29	4
627 - TELEC: CARRIER ACCESS CHARGES	5	5 - 105 - 133
628 - PUB: ADVERTISING INCOME	9	N/A
629 - TR LODG: MOBILE HOME Etc. for more than 29 DAY Period	25	N/A
630 - JOB PR: to LIC BUS - FREE MAG NEWS	10	N/A
631 - PPR: LEASE by PARENT to SUB or SUB to SUB if TAX PAID on INITIAL SALE of PROPERTY	14	N/A
632 - PC: COST of 532 DED in Gross Income	15 - 315	15 - 16 - 37 - 315
633 - TELEC: DB SATELLITE TV SERVICES	5	5
634 - COMM LEASE BETWEEN AFFILIATES	13	45 - 213 - 313

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<b>635</b> - PC: COST of <b>535</b> DED in Gross Income	15 - 315	15 - 16 - 37 - 315
<b>636</b> - TR LODG: BED & BREAKFAST- LESS THAN 5 ROOMS and < 50% ANNUAL OCCUPANCY	25	N/A
<b>637</b> - JOB PR: Delivered OUT-OF-STATE	10	N/A
<b>638</b> - COMM LS: to NONPROFIT for MLB or GOLF	13	213 - 313
<b>639</b> - PC: COST of <b>539</b> DED in Gross Income	15 - 315	15 - 16 - 37 - 315
<b>640</b> - BUSINESS ACTIVITY TAXED under OTHER CLASS	6 - 12 - 25	6 - 12 - 44 - 144 - 244
<b>641</b> - TELEC: COMMON LINE CHARGES	5	N/A
<b>642</b> - COMM LS: to LICENSED NURSING CARE INSTITUTION	13	N/A
<b>643</b> - TELEC: <i>INTERSTATE</i> TELEC SVCS	5	5 - 105 - 133
<b>644</b> - PC: COST of <b>544</b> DED in Gross Income	15 - 315	N/A
<b>645</b> - PC: COST of <b>545</b> DED in Gross Income	15 - 315	N/A
<b>646</b> - PC: COST of <b>546</b> DED in Gross Income	15 - 315	15 - 16 - 37 - 315
<b>647</b> - COMM LS: to NONPROFIT for RODEO	13	N/A
<b>648</b> - TR LODG: SERVICE COMMISSIONS	25	44 - 144 - 244
<b>649</b> - TELEC: SVCS PREPAID CARD or AUTH	5	5 - 133
<b>650</b> - COMM LS: RESIDENTIAL > 29 DAYS	13	N/A
<b>651</b> - PPR: PHOTOS Etc for ARIZ TOURISM	14	N/A
<b>652</b> - MINE: ACTUAL FREIGHT COST	2	N/A
<b>653</b> - PC: COST of <b>553</b> DED in Gross Income	15 - 315	15 - 16 - 37 - 315
<b>654</b> - PC: COST of <b>554</b> DED in Gross Income	15 - 315	N/A
<b>655</b> - COMM LS: for RELIGIOUS WORSHIP	13	N/A
<b>656</b> - PPR:VEHICLE REG FEE REIMBURSEMNT	14	114 - 214
<b>657</b> - AMUSE: INSTRUCTIONAL ACTIVITIES	12	SEE CITY SPECIFIC CODE 803 BELOW
<b>658</b> - MINE: PROCESS COST - SHIPMENT Out Of State	2	N/A
<b>659</b> - COMM LS: ELIGIBLE TRANSPO FACILITY	13	N/A

ALL TPT-2 DEDUCTION CODES w/ <i>Abbreviated Descriptions</i> of Statutory Text and/or Model City Tax Code Authority Effective for periods October 2019 and forward	STATE BUSINESS CODES	CITY BUSINESS CODES
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LEGEND (Abbreviations) and BUSINESS CODE LISTINGS at end of this document.

660 - PPR: MV LEASE if MOTOR CARRIER FEE PAID	14-414	214-114
661 – AMUSE: PARI-MUTUEL and PURSE MONIES	12	12
662 – REST: FOOD to NONPROFIT that FEEDS NEEDY regularly for free	11 – 29	29
663 – PC: FURNITURE APPLIANCES not incorporated into MFTRD BLDG	15	27
664 – COMM LS: AGRICULTURAL PROP between FAMILY MEMBERS or LESS THAN 3 LEASES	13	N/A
665 – PC: COST of 565 DED in Gross Income	15 – 315	15 – 16 – 37 – 315
666 – AMUSE: TRAN LODGING RECREATIONAL ESTABLISHMENT MEMBERSHIP FEES	12	N/A
667 – PC: MILITARY REUSE ZONE PROJECTS	15	N/A
668 – PC: MANUFACTURED BLDG RESALE to DEALER	15	27
669 – COMM LS: PROFIT A PRENDRE	13	N/A
670 – AMUSE: SALE to TRANSIENT LODGING BUSINESS for RESALE	12	12
671 – CITY SALES TO QUALIFIED HEALTH CARE ORG City Retail Deduction Code is 545	SEE RELATED STATE CODE 545 ABOVE	4 – 9 – 10 – 11 – 29 – 49 – 51 - 111 – 114 – 214 – 485
672 – PC: COST of 572 DED in Gross Income	15 – 315	15 – 16 – 37 – 315
673 – PC: DOMESTIC VIOLENCE SHELTER	15	N/A
674 – PC: COST of 574 DED in Gross Income	15 – 315	N/A
675 – PC: COST of 575 DED in Gross Income	15 – 315	15 – 16 – 37 – 315
676 – PC: COST of 576 DED in Gross Income	15 – 315	15 – 16 – 37 – 315
677 – PC: COST of 577 DED in Gross Income	15 – 315	15 – 16 – 37 – 315
678 – PC: COST of 578 DED in Gross Income	15 – 315	15 – 16 – 37 – 315
679 – PC: COST of 579 DED in Gross Income	15 – 315	15 – 16 – 37 – 315
680 – PPR: CAR RENTAL SURCHARGES	14	114 – 214
681 – PC: INCOME FROM OUT-OF-STATE PROJECTS	15	15 – 16 – 37

ALL TPT-2 DEDUCTION CODES w/ <i>Abbreviated Descriptions</i> of Statutory Text and/or Model City Tax Code Authority Effective for periods October 2019 and forward	STATE BUSINESS CODES	CITY BUSINESS CODES
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LEGEND (Abbreviations) and BUSINESS CODE LISTINGS at end of this document.

682 – COMM LS: UTILITY SERVICES REIMBURSEMENT	13	45 – 213 – 313
683 – PC: ENVIRONMENTALLY CONTROLLED POULTRY / EGG FACILITY	15	15 – 16 – 37
684 – USE TX: CREDIT for TAX PAID to an EQUIVALENT JURISDICTION	29 – 51	29
685 – PC: COST of 585 DED in Gross Income	15 – 315	15 – 16 – 37 – 315
686 – PC: TERMITE or PEST TREATMENT	15	15
687 – COMPONENT PARTS for Manufactured PRODUCT for RESALE	29 – 129	29
688 – USE TX: ADVERTISING SUPPLEMENTS	29	N/A
689 – PC: LAWN MAINTENANCE SERVICES	15	15
690 – PC: DESIGN PHASE or PROFESSIONAL SERVICES	15	N/A
691 – PC: COST of 591 DED in Gross Income	15 – 315	15 – 16 – 37 – 315
692 – USE TX: Sale to DIRECT PAY PERMIT HOLDER	29	N/A
693 – USE TX: \$200 DEDUCTION for FOREIGN PURCHASES- Cities Effective Date 10/1/2019	29	29
694 – PC: MANUFACTURED BLDG delivered OUT-OF-STATE	15	N/A
695 – USE TX: NONPROFIT PURCHASE from OUT OF STATE AFFILIATE	29	N/A
696 – PC: STATE UNIVERSITY RESEARCH INFRASTRUCTURE PROJECT	15	N/A
697 – PC: COST of 597 DED in Gross Income	15 – 315	15 – 16 – 37 – 315
698 – PC: LAUNCH SITE Construction	15	N/A
699 – TPP to QUALIFYING HEALTH SCIENCES EDUCATIONAL INSTITUTION	9 – 10 – 14 – 17 – 29-203-414-420-605	9 – 10 – 17 – 29 –203- 214 -420-605
701 – TR LODG: EXEMPT AMUSEMENT or TRANSPORTING	25	44 – 144 – 244
702 – TRANSPORTATION or AMUSEMENT Resale: ARRANGED & TAXED	6 – 12	6

ALL TPT-2 DEDUCTION CODES w/ <i>Abbreviated Descriptions</i> of Statutory Text and/or Model City Tax Code Authority Effective for periods October 2019 and forward	STATE BUSINESS CODES	CITY BUSINESS CODES
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LEGEND (Abbreviations) and BUSINESS CODE LISTINGS at end of this document.

703 – USE TX: MOTOR VEHICLE donated to NONPROFIT or UNIVERSITY	29 – 30	N/A
704 – TR LODG: EXEMPT SERVICES	25	44 – 144 – 244
705 – USE TX: RX PLAN ID CARDS / PARTS	29 – 129	N/A
706 – PC: COST of 606 DED in Gross Income	15 – 315	15 – 16 – 37 – 315
707 – USE TX UTIL: TPP EXEMPT under UTIL CLASSIFICATION	26 – 29 – 129	N/A
708 – VENDOR DISCOUNTS or CUSTOMER RETURNS	2-4-5-6-7-8-9-10-11-12-13-14-15-17-19-25-26-29-49-51-203-414-420-605	4-5-6-9-10-11-12-15-16-17-18-19-20-27-29-37-40-44-45-49-51-62-111- 114 - 116-133-144-203- 213-214-244- 313 –420- 485-605-606
709 – USE TX UTIL: REV Taxed under CL 004	26 – 29	29
710 – UTIL: ELECTRICITY, NAT GAS or LPG to MANUFACTURER or SMELTER	4 – 29 – 129	N/A
711 – TRADE-IN ALLOWANCE	14 – 17 – 29-605	17 – 29 – 214-605
712 – PROPERTY Sold to Contractor for MRRA Project on an INDIAN RESERVATION	15 – 17 – 29 – 315-605	17 – 29 – 315-605
<p><i>CITY SPECIFIC CODE:</i>  <b>713</b> – EXEMPT JOB PRINTING for LICENSED PUBLISHERS_ CITIES:  Buckeye, Casa Grande, Chandler, Clarkdale, Duncan, Flagstaff, Gilbert, Glendale, Globe, Goodyear, Huachuca City, Lake Havasu, Mammoth, Marana, Mesa, Oro Valley, Payson, Peoria, Pima, Quartzsite, Scottsdale, Snowflake, Star Valley, Tempe, Tolleson, Tucson, Youngtown</p>	N/A	10

<p><b>CITY SPECIFIC CODE:</b>  <b>714</b> – QUALIFIED: HOSPITAL, HEALTH CARE,  or COMMUNITY HEALTH CENTER  <b>CITIES:</b>  Benson, Bullhead, Casa Grande, Cave Creek, Clarkdale,  Colorado city, Dewey-Humboldt, Douglas, Duncan,  Eagar, Eloy, Flagstaff, Florence, Fountain Hills, Fredonia,  Gilbert, Goodyear, Guadalupe, Hayden, Huachuca City,  Lake Havasu city, Maricopa, Miami, Nogales, Oro Valley,  Page, Paradise Valley, Parker, Patagonia, Payson,  Phoenix, Pima, Pinetop-Lakeside, Prescott Valley,  Quartzsite, Safford, Sahuarita, Show Low, Snowflake,  South Tucson, Springerville, Star Valley, Superior,  Surprise, Tempe, Tolleson, Tombstone, Tucson, Tusayan,  Wellton, Youngtown</p>	N/A	45 – 213 – 313
<p><b>715</b> – TRANSPo by MOTOR CARRIERS or LIGHT MOTOR  VEHICLES – FEES PAID TO MVD  (CITIES do NOT EXEMPT INCOME DERIVED from LIGHT  MOTOR VEHICLES under 715)</p>	6	6 (ALSO SEE CITY SPECIFIC CODE 722 BELOW)
<p><b>716</b> – RET: POSTAGE STAMPS sold at Face Value</p>	17-605	17-605
<p><b>CITY SPECIFIC CODE:</b>  <b>717</b> – EXEMPT CoinOp CLEANING MACHINES  <b>CITIES:</b>  Benson, Buckeye, Bullhead City, Carefree, Casa Grande,  Cave Creek, Duncan, Eloy, Flagstaff, Gila Bend, Gilbert,  Lake Havasu, Marana, Mesa, Nogales, Oro Valley,  Paradise Valley, Parker, Patagonia, Phoenix, Pima,  Pinetop Lakeside, Safford, Scottsdale, Sierra Vista, Star  Valley, Thatcher, Tolleson, Tucson, Wickenburg,  Williams, Winslow,</p>	SEE STATE CODE 786	214
<p><b>718</b> – TR LODG: LODGING obtained at START for MORE  THAN 29 Days</p>	25	SEE CITY SPECIFIC CODE 718 BELOW
<p><b>CITY SPECIFIC CODE:</b>  <b>718</b> – TR LODG: LODGING obtained at START for MORE  THAN 29 Days  <b>CITIES:</b>  Bullhead City, Flagstaff, Globe, Lake Havasu, Marana,  Oro Valley, Payson, Quartzsite, Safford, Sedona, Show  low, Snowflake, Tucson, Tusayan, Willcox, Winslow   YUMA: First 90 days are taxable, remaining days exempt</p>	SEE STATE CODE 718 ABOVE	44 – 144
<p><b>719</b> – PC: MIXED WASTE PROCESS FACILITY</p>	15	15

<p><i>CITY SPECIFIC CODE:</i>  <b>721</b> – TELEC: TAX CREDIT for FRANCHISE/LICENSE FEES  (DIVIDE FEE AMOUNT BY CITY TAX RATE)  <u>CITIES:</u>  Apache Junction, Bullhead City, Camp Verde, Casa Grande, Colorado City, Duncan, Douglas, Eloy, Gila Bend, Glendale, Goodyear, Huachuca City, Kearny, Kingman, Lake Havasu, Litchfield Park, Mammoth, Marana, Miami, Peoria, Phoenix, Show Low, Sierra Vista, Snowflake, Thatcher, Tolleson, Willcox</p>	<p>N/A</p>	<p>5  105 (TU)  133 (NO. and TU.)</p>
<p><i>CITY SPECIFIC CODE:</i>  <b>722</b> – EXEMPT ALL MOTOR VEHICLE TRANSPORT FOR HIRE  <u>CITIES:</u>  Chandler, Cottonwood, Mesa, Phoenix, Sahuraita, Scottsdale, Sierra Vista, Tempe, Thatcher, Tolleson, Winslow</p>	<p>N/A</p>	<p>6</p>
<p><i>CITY SPECIFIC CODE:</i>  <b>723</b> – UTIL: TAX CREDIT for FRANCHISE FEES_  <u>CITIES:</u> (DIVIDE FEE AMOUNT BY CITY TAX RATE)  Apache Junction, Avondale, Benson, Buckeye, Bullhead City, Camp Verde, Cave Creek, Clarkdale, Duncan, Eloy, Huachuca City, Jerome, Kingman, Lake Havasu, Litchfield Park, Marana, Paradise Valley, Quartzsite, Scottsdale, Sedona, Showlow, Sierra Vista, Thatcher, Tolleson, Willcox</p>	<p>N/A</p>	<p>4  104 (TU)  133 (NO)</p>
<p><b>724</b> – REST: GRATUITIES – TIPS distributed 100% to SERVERS or SERVICE EMPLOYEES</p>	<p>11</p>	<p>11 – 111</p>
<p><b>725</b> – TPP Sales <u>BY</u> Nonprofit Charitable IRC 501©(3) Organization</p>	<p>11 – 17 – 29-221-421-605</p>	<p>11 – 17 – 29 – 111-221-222-421-422-605</p>
<p><i>CITY SPECIFIC CODE:</i>  <b>727</b> – TAX MORATORIUM – REAL PROPERTY  <u>CITIES:</u> <b>Duncan, Eloy, Tucson</b></p>	<p>N/A</p>	<p>15 – 16 – 37 – 45 – 213</p>
<p><i>CITY SPECIFIC CODE:</i>  <b>728</b> – DAVIS MONTHAN BASE TRANSACTIONS  <u>CITY:</u> <b>Tucson</b></p>	<p>N/A</p>	<p>4 – 5 – 11 – 15 – 16 – 17 – 37  - 104 – 105 – 133-605</p>



<p><b>CITY SPECIFIC CODE:</b>  <b>730 – EXEMPT HEALTH DANCE SPORT FEES</b>  <b>CITIES:</b>  Avondale, Benson, Bisbee, Carefree, Casa Grande, Clarkdale, Clifton, Dewey Humboldt, Duncan, Eloy, Flagstaff, Fountain Hills, Fredonia, Globe, Goodyear, Guadalupe, Jerome, Kingman, Kerny, Lake Havasu, Litchfield Park, Mammoth, Marana, Mesa, Miami, Nogales, Oro Valley, Page, Parker, Patagonia, Payson, Phoenix, Pima, Prescott, Prescott Valley, Sahuarita, San Luis, Scottsdale, Sedona, Show Low, Sierra Vista, Somerton, South Tucson, Star Valley, Superior, Taylor, Thatcher, Tolleson, Tombstone, Wellton, Wickenburg, Williams, Winkleman, Youngtown, Yuma</p>	<p>N/A</p>	<p>12</p>
<p><b>CITY SPECIFIC CODE:</b>  <b>731 EXEMPT GOLF COURSE GREENS FEES</b>  <b>CITIES:</b> Bisbee, Duncan, Nogales, Patagonia, Sedona, Snowflake, Tolleson, Willcox</p>	<p>N/A</p>	<p>12</p>
<p><b>CITY SPECIFIC CODE:</b>  <b>732 – EXEMPT CONTRACTING FT HUACHUCA</b>  <b>CITY:</b> Sierra Vista</p>	<p>N/A</p>	<p>15 – 16 – 37</p>
<p><b>CITY SPECIFIC CODE:</b>  <b>734 – SPEC BLDR: EXEMPT FAIR MKT VALUE OF LAND</b>  <b>CITIES:</b> Bullhead City, Camp Verde, Douglas, Kingman, Lake Havasu, Pima, Parker, Pinetop-Lakeside, Prescott, Prescott Valley, Quartzite, Safford, Showlow, Taylor, Willcox</p>	<p>N/A</p>	<p>16</p>
<p><b>735 – AMUSE: ENTRY FEES for 501©(3) ORG’S RUN WALK SWIM RIDE or similar EVENT</b></p>	<p>12</p>	<p>12</p>
<p><b>CITY SPECIFIC CODE:</b>  <b>737-EXEMPT FINE ART PAINTING / SCULPTURE by original artist not for utilitarian use</b>  <i>This Deduction allowed only for the specified cities below.</i>  <b>Specific Cities (A.R.S. 42-6017 C. 7):</b> Bisbee, Carefree, Mesa, Oro Valley, Prescott, Tempe, Tucson</p>	<p>N/A</p>	<p>17 – 29</p>
<p><b>CITY SPECIFIC CODE:</b>  <b>740 – EXEMPT TEL SVCS BY CABLE TV SYSTEM</b>  <b>CITIES:</b>  Apache Junction, Avondale, Benson, Bisbee, Clifton, Cottonwood, Eloy, Flagstaff, Glendale, Hayden, Kearny, Kingman, Lake Havasu, Miami, Oro Valley, Parker, Payson, Pima, Prescott Valley, Show Low, Somerton, Superior, Taylor, Tombstone, Wickenburg, Winkelman</p>	<p>N/A</p>	<p>5</p>

<p><b>CITY SPECIFIC CODE:</b></p> <p><b>741</b> – EXEMPT UTILS to OUT-OF-CITY CUST</p> <p><b>CITIES:</b> Apache Junction, Bisbee, Bullhead City, Camp Verde, Carefree, Casa Grande, Chino Valley, Clarkdale, Clifton, Dewey-Humboldt, Duncan, Florence, Fountain Hills, Guadalupe, Jerome, Kingman, Litchfield Park, Mammoth, Nogales, Paradise Valley, Patagonia, Payson, Peoria, Phoenix, Pima, Pinetop –Lakeside, Queen Creek, San Luis, Scottsdale, Sedona, Show Low, Star Valley, Sierra Vista, South Tucson, Superior, Surprise, Thatcher, Tombstone, Wellton, Williams, Winkelman, Youngtown, Yuma</p>	N/A	4 104 (TU) 133 (NO)
<p><b>CITY SPECIFIC CODE:</b></p> <p><b>742</b> – DONATION TO 501c3 CHARORGANIZATION</p> <p><b>CITIES:</b> Camp Verde, Cave Creek, Colorado City, Kingman, Marana, Maricopa, Page, Phoenix, Prescott Valley, Quartzsite, Queen Creek, Scottsdale, Sedona</p>	N/A	29
<p><b>CITY SPECIFIC CODE:</b></p> <p><b>743</b> – USE TAX EXEMPT SALES TO CITY_</p> <p><b>CITIES:</b> Chandler, Coolidge, Eagar, Fountain Hills, Glendale, Kingman, Lake Havasu, Maricopa, Mesa, Page, Peoria, Quartzsite (Eff. 01/01/2020 Kearny)(Eff. 06/01/2021 Miami)</p>	N/A	29
<b>744</b> – VETERANS ORG: Sales of FOOD and DRINK on PREMISES	11-221-421	11 – 111
<b>749</b> – USE TX: \$1000 DED OUT-OF-CITY PURCHASE EXP-9/30/19	N/A	29
<b>750</b> – CITY – DIRECT CUSTOMER SERVICE	SEE RELATED STATE AND CITY CODE 549 (Retail Only for city)	11 – 29 – 111 – 114 – 214
<b>752</b> – INCOME PRODUCING CAPITAL EQUIP –ANCILLARY M&E TO TREAT WASTE	N/A	29 – 214
<b>753</b> – SPEC BLDR: RECONSTRUCT – PRIOR VALUE	N/A	16
<b>754</b> – PART IMPR PROP SOLD BY/TO SPEC BLDR	N/A	16
<b>755</b> – RENTAL OF IRS “LOW INCOME UNIT”	N/A	45 – 213 – 313
<b>756</b> – PPR: TPP SEMI or PERMANENTLY INSTALLED IN OTHER TAXING CITY	N/A	214
<b>757</b> – NAT GAS TO PUBLIC UTIL for POWER GEN	N/A	4 133 (NO)

<b>758</b> – Other TAXES/FEES Allowed by MCTC SECTION 260	N/A	5 – 29 – 105 – 133
<b>759</b> – UTILITY POLES – Rentals of Space for Utility- Telecom-Cable Attachments	4 – 5 – 13 – 14	4 – 5 – 213 – 214 – 313
<b>760</b> – CITY – OUT-OF-CITY SALES	N/A	10 – 17 – 49 – 62 – 104 – 105 – 116 – 133-605-606
<i>CITY SPECIFIC CODE:</i> <b>761</b> – PART of SINGLE ITEM SALE TAXED at 0%_CITIES: Globe, Yuma	N/A	17 – 29 -605
<b>762</b> – NONPROFIT ORG Sponsoring MLB or Pro Golf – Events and Sales	11 – 12 – 17 – 29- 221-421-605	11 – 12 – 17 – 29 – 111- 221-222-421-422-605
<b>763</b> – NONPROFIT ORG Sponsoring RODEO: Farm & Ranch Animals – Event & Sales	11 – 12 – 17 – 29- 221-421-605	11 – 12 – 17 – 29 – 111- 221-222-421-422-605
<b>764</b> – NONPROFIT ORG producing CULTURAL or CIVIC Festival / Event & Sales	12 – 17 – 29 – 605	12 – 17 – 29 – 605
<b>765</b> – COMM LS: PRE 12/1/1967 Lease	13	N/A
<b>766</b> – COMM LS: for BOARDING HORSES	13	N/A
<b>767</b> – COMM LS: By TRADE or Industry Association I.R.S. 513(d)(3)© ORG	13	N/A
<b>768</b> – COMM LS: GOVT Owned Venue – Less than 22 Days	13	N/A
<i>CITY SPECIFIC CODE:</i> <b>769</b> – TELECOM: CREDIT for CABLE LICENSE FEES_ CITY: PX. (DIVIDE FEE AMOUNT BY PX TAX RATE)	N/A	5
<b>771</b> – PC: COST of <b>671</b> DED in Gross Income	N/A	15 – 16 – 37 – 315
<b>772</b> – TRANSP: TRANSPORTATION NETWORK COMPANY’S Income or Fees or Driver’s Income	6	6
<b>773</b> – RET – FINE ART sold by an ART GALLERY or ART AUCTION to a NONRESIDENT	17-605	SEE other CITY SPECIFIC CODE <b>737</b>
<b>773</b> – RET – FINE ART sold by an ART GALLERY or ART AUCTION to a NONRESIDENT Specific City Scottsdale	SEE STATE CODE <b>773</b> ABOVE	17
<b>774</b> – PPR: BILLBOARD for ADVERTISING or INFO	14	N/A
<b>775</b> – TR LODG: ONLINE LODGING OPERATOR INCOME from REGISTERED ONLINE LODGING MARKETPLACE	25	44 – 45 – 144 – 244

<b>776</b> – RES RENTAL: ONLINE LODGING OPERATOR INCOME from REGISTERED ONLINE LODGING MARKETPLACE	N/A	45
<b>777</b> – Sales to FOREIGN DIPLOMATS holding VALID US DEPT of STATE CARD authorizing purchase	4 – 10 – 11 – 14 – 17 – 25 -221-421-203-414-420-605	4 – 10 – 11 – 17 – 44 – 111 – 144 – 203-214 – 221-222-244 -420-421- 422-605
<b>778</b> – TRANSP: VEHICLE For HIRE COMPANY’S Income or Driver’s Income	6	6
<i>CITY SPECIFIC DEDUCTION CODE:</i> <b>779</b> – TELEPHONE SERVICES PROVIDED TO ANY U.S. GOVERNMENT UNIT <u>Specific City:</u> <b>Flagstaff</b>	N/A	133
<b>780</b> – JET FUEL: Sales to a Purchaser that exceed 10 million gallons (See Arizona Form 5008)	49 – 51	<i>See City Specific code 780 below</i>
<b>780</b> – JET FUEL: Sales to a Purchaser that exceed 10 million gallons (See Arizona Form 5008) <u>Specific Cities:</u> <b>Bullhead City, Chandler, Camp Verde, Gila Bend, Glendale, Goodyear, Lake Havasu , Mesa, Phoenix, Prescott, Scottsdale, Sierra Vista, Winslow.</b>	SEE STATE CODE <b>780</b> ABOVE	49-51
<b>781</b> – PC: COST of <b>751</b> DED in Gross Income	N/A	15 – 16 – 37 – 315
<b>782</b> – PC: COST of <b>752</b> DED in Gross Income	N/A	15 – 16 – 37 – 315
<b>783</b> – UTIL / USE TAX: ELEC or NAT GAS sold to or used by an INT’L OPS CENTER in Arizona	4 – 29	4 – 29
<b>784</b> – PPR: FILMS Etc. to THEATERS or TV / RADIO Stations	14	214
<b>785</b> – AMUSE – PPR: Arizona State or County FAIR sponsored Events or Activities	12 – 14	12 – 214
<b>786</b> – PPR: COIN-OPERATED Laundry and Car Washing Machines	14	<i>SEE CITY SPECIFIC CODE 717</i>
<b>787</b> – PPR: AIRCRAFT or Flight Simulator Rental by Nonprofit Educational Institutions	14	214
<b>788</b> – TELEC: CREDIT for SENIOR ASSISTANCE PROGRAM DISCOUNT (Divide discount amount by combined State and County tax rate)	5	N/A
<b>789</b> -TELEC: Over the Top (OTT) Services –Radio or Television ONLY	5	5

<b>790</b> – CITY – ADVERTISING EXEMPT (National etc.)	N/A	18
<b>791</b> – COMM LEASE (RES RENTAL): PATIENT CHARGES by HOSPITAL, LIC NURSING CARE, or DIALYSIS FACILITY for USE OF ROOMS	N/A	45
<b>792</b> – COMM LEASE (RES RENTAL): “PERSONAL CARE” or “DIRECTED CARE” CHARGES by LICENSED: ASSISTED LIVING FACILITY, CENTER, or HOME	N/A	45
<b>793</b> – OLM: Commissions NOT INCLUDED in price of lodging	325	44-144-45
<b>794</b> – OLM: EXEMPT CLASS 1 PROPERTY included in Gross Receipts	325	44-144-45
<b>799</b> – PC: COST of <b>699</b> DED in Gross Income	15 – 315	N/A
<i>CITY SPECIFIC CODE:</i> <b>801</b> – SPEC BLDR: EXEMPT – IN PLACE LEASE	N/A	16
<i>CITY SPECIFIC CODE:</i> <b>802</b> – SPEC BLDR:EXEMPT STATE/COUNTY TX PAID BY CONTRACTOR	N/A	16
<i>CITY SPECIFIC CODE:</i> <b>803</b> – AMUSE:EXEMPT SEPARATELY CHARGED_ <u>INDIVIDUAL</u> INSTRUCTION (only) Apache Junction, Buckeye, Bullhead City, Camp Verde, Cave Creek, Chandler, Chino Valley, Colorado City, Coolidge, Cottonwood, Douglas, Eagar, El Mirage, Gila Bend, Gilbert, Glendale, Hayden, Holbrook, Huachuca City, Maricopa City, Paradise Valley, Peoria, Pinetop_ Lakeside, Quartzsite, Queen Creek (Including Queen Creek special district), Safford, St. Johns, Snowflake, Springerville, Surprise, Tempe, Tucson, Tusayan, Willcox, Winslow	<i>SEE RELATED STATE CODE 657</i> (For private <u>or</u> group instructional activities)	12
<b>804</b> – SALES MADE THROUGH another’s Marketplace	17 -203-420-605	17 -203-420-605-606
<b>806</b> – ENERGY SOLD TO C.A.P.	4	4
<b>807</b> – EXCISE TAX COLLECTED or FACTORED included in Gross Receipts	420	420
<b>808</b> - INCOME rec THRU CAR SHARING PROGRAM	014-414	214-114

## SPECIAL COUNTY & CITY RETAIL AND USE TAX BUSINESS CODES:

Jurisdictions in Arizona may opt for a tiered rate structure for single-item purchases over a certain dollar amount. Each jurisdiction sets the price in which the tiered rate structure goes into effect, and the tax rate levied on the single-item for their jurisdiction. The tiered rate may be placed on the price of the entire single-item or the portion over the price where the tiered rate structure goes into effect. For sales or purchases that are completely exempt from tax, report the sale or purchase under business codes 017 (retail), 605 (retail for MS/RS) or 029 (use tax) and deduct the entire amount using the appropriate deduction code.

For cities in which tiered rates “**single-item over**” applies, the entire sale applies to the “single-item over” code/rate. Unlike “portion over,” any deductions amounts may be applied to the full amount of the sale.

For cities with “**portion over**” tiered rates, apply the regular retail code/rate to the amount up to the portion over amount. The portion over code/rate is then applied to the difference between over the “portion over” amount and the total price. **Any deduction amounts must be prorated.**

To determine what constitutes a “single-item” under the retail classification:

- A single-item does not refer to multiple transactions on a single invoice.
- A single-item does not include taxes, add-ons or sales price adjustments.
- A single-item does not include other related transactions (e.g., the sale price of a car, plus the extended warranty and tax).
- If a retailer does not break down related costs but instead invoices one lump sum, this entire amount is considered the single-item and subject to the application of the tiered rate calculation.
- If the invoice is an itemized invoice, the tiered rate application must be calculated separately on each individual item.

BUSINESS CODE	DESCRIPTION	APPLICABLE COUNTY
367	RETAIL SALES (SINGLE ITEM PORTION OVER \$10,000)	Pinal
673	ADULT USE MARIJUANA RETAIL SALES (SINGLE ITEM PORTION OVER \$10,000)	

BUSINESS CODE	DESCRIPTION	APPLICABLE CITIES
157	RETAIL SALES (SINGLE ITEM OVER \$1,000)	Eagar
159	USE TAX (SINGLE ITEM OVER \$1,000)	
667	ADULT USE MARIJUANA RETAIL SALES (SINGLE ITEM OVER \$1,000)	
167	RETAIL SALES (SINGLE ITEM PORTION OVER \$10,303)(Eff. 1-1-2018)	Phoenix
165	RETAIL SALES (SINGLE ITEM PORTION OVER \$10,968)(Eff. 1-1-2020)	
169	USE TAX (SINGLE ITEM PORTION OVER \$10,303) (Eff. 1-1-2018)	
166	USE TAX (SINGLE ITEM PORTION OVER \$10,968) (Eff. 1-1-2020)	
668	ADULT USE MARIJUANA RETAIL SALES (SINGLE ITEM PORTION OVER \$10,968)(Eff. 1-1-2021)	
297	RETAIL SALE (SINGLE ITEM PORTION OVER \$2,000)	Apache Junction
299	USE TAX (SINGLE ITEM PORTION OVER \$2,000)	
669	ADULT USE MARIJUANA RETAIL SALE (SINGLE ITEM PORTION OVER \$2,000)	
307	RETAIL SALES (SINGLE ITEM OVER \$1,999.99)	Buckeye
670	ADULT USE MARIJUANA RETAIL SALES (SINGLE ITEM OVER \$1,999.99)	
337	RETAIL SALES (SINGLE ITEM PORTION OVER \$6,000)	Eloy
339	USE TAX (SINGLE ITEM PORTION OVER \$6,000)	
671	ADULT USE MARIJUANA RETAIL SALES (SINGLE ITEM PORTION OVER \$6,000)	
357	RETAIL SALES (SINGLE ITEM PORTION OVER \$5,000)	Camp Verde, Casa Grande, Pinetop-Lakeside, Tolleson
672	ADULT USE MARIJUANA RETAIL SALES (SINGLE ITEM PORTION OVER \$5,000)	

367	RETAIL SALES (SINGLE ITEM PORTION OVER \$10,000)	Douglas Quartzsite
369	USE TAX (SINGLE ITEM PORTION OVER \$10,000)	Douglas Quartzsite
673	ADULT USE MARIJUANA RETAIL SALES (SINGLE ITEM PORTION OVER \$10,000)	
377	RETAIL SALES (SINGLE ITEM PORTION OVER \$9,999)	Clifton
674	ADULT USE MARIJUANA RETAIL SALES (SINGLE ITEM PORTION OVER \$9,999)	
387	RETAIL SALES (SINGLE ITEM PORTION OVER \$3,000)	
389	USE TAX (SINGLE ITEM PORTION OVER \$3,000)	Page
675	ADULT USE MARIJUANA RETAIL SALES (SINGLE ITEM PORTION OVER \$3,000)	
397	RETAIL SALES (SINGLE ITEM PORTION OVER \$1,000)	Springerville
676	ADULT USE MARIJUANA RETAIL SALES (SINGLE ITEM PORTION OVER \$1,000)	
407	RETAIL SALES (SINGLE ITEM PORTION OVER \$500)	Superior
677	ADULT USE MARIJUANA RETAIL SALES (SINGLE ITEM PORTION OVER \$500)	
417	RETAIL SALES (SINGLE ITEM OVER \$1,250)	Willcox
678	ADULT USE MARIJUANA RETAIL SALES (SINGLE ITEM OVER \$1,250)	
467	RETAIL (SINGLE ITEM PORTION OVER \$2,500)	Parker
679	ADULT USE MARIJUANA RETAIL (SINGLE ITEM PORTION OVER \$2,500)	



467	RETAIL (SINGLE ITEM PORTION OVER \$2,500)	San Luis
469	USE TAX (SINGLE ITEM PORTION OVER \$2,500)	
679	ADULT USE MARIJUANA RETAIL (SINGLE ITEM PORTION OVER \$2,500)	
717	RETAIL SALES (SINGLE ITEM OVER \$5,000)	Avondale, Benson, Glendale, Goodyear, Safford, Thatcher, Wickenburg
680	ADULT USE MARIJUANA RETAIL SALES (SINGLE ITEM OVER \$5,000)	
729	USE TAX (SINGLE ITEM OVER \$5,000)	Benson, Glendale, Goodyear, Safford
917	RETAIL SALES (SINGLE ITEM OVER \$10,000)	Coolidge
929	USE TAX (SINGLE ITEM OVER \$10,000)	
681	ADULT USE MARIJUANA RETAIL SALES (SINGLE ITEM OVER \$10,000)	

**ECONOMIC NEXUS TIERED RATES BUSINESS CODES-[RETAIL ONLY]**

BUSINESS CODE	DESCRIPTION	APPLICABLE COUNTY
367	Marketplace Facilitators in Arizona Retail Sales (Single Item Portion over \$10,000)	Pinal
616	Marketplace Facilitated <b>Third Party Sales or Remote Retail Sales</b> (Single Item Portion over \$10,000)	Pinal

BUSINESS CODE	DESCRIPTION	APPLICABLE CITIES
610	Marketplace Facilitated or Remote Retail Sales (Single Item over \$1,000)	Eagar
611	Marketplace Facilitated or Remote Retail Sales (Single Item Portion Over 10,303)	Phoenix
612	Marketplace Facilitated or Remote Retail Sales (Single Item Portion over \$2,000)	Apache Junction
613	Marketplace Facilitated or Remote Retail Sales (Single Item over \$1,999.99)	Buckeye
614	Marketplace Facilitated or Remote Retail Sales (Single Item Portion over \$6,000)	Eloy
615	Marketplace Facilitated or Remote Retail Sales (Single Item Portion over \$5,000)	Camp Verde, Casa Grande, Pinetop-Lakeside, Tolleson
616	Marketplace Facilitated or Remote Retail Sales (Single Item Portion over \$10,000)	Douglas Quartzsite
617	Marketplace Facilitated or Remote Retail Sales (Single Item Portion over \$9,999)	Clifton
618	Marketplace Facilitated or Remote Retail Sales (Single Item Portion over \$3,000)	Page
619	Marketplace Facilitated or Remote Retail Sales (Single Item Portion over \$1,000)	Springerville
620	Marketplace Facilitated or Remote Retail Sales (Single Item Portion over \$500)	Superior

621	Marketplace Facilitated or Remote Retail Sales (Single Item over \$1,250)	Willcox
622	Marketplace Facilitated or Remote Retail Sales (Single Item Portion over \$2,500)	Parker San Luis
623	Marketplace Facilitated or Remote Retail Sales (Single Item over \$5,000)	Avondale, Benson, Glendale, Goodyear, Safford, Thatcher, Wickenburg
624	Marketplace Facilitated or Remote Retail Sales (Single Item over \$10,000)	Coolidge
611	Marketplace Facilitated <b>Third Party Sales or Remote Retail Sales</b> (Single Item Portion over \$10,303)	Phoenix
625	Marketplace Facilitated <b>Third Party Sales or Remote Retail Sales</b> (Single Item Portion over \$10,968) (Eff. 1-1-2020)	

**BUSINESS CODES USED FOR BOTH STATE AND CITY BUSINESSES:**

CODE	BUSINESS CATEGORY	CODE	BUSINESS CATEGORY
004	UTILITIES	019	SEVERANCE - METALLIFEROUS MINING
005	COMMUNICATIONS	029	USE TAX
006	TRANSPORTING	049	JET FUEL TAX
009	PUBLICATION	051	JET FUEL USE TAX
010	JOB PRINTING	315	MRRA AMOUNT
011	RESTAURANTS AND BARS	325	ONLINE LODGING MARKETPLACE
012	AMUSEMENT	605	RETAIL - RS/MF OUTSIDE ARIZONA
015	CONTRACTING – PRIME	616	RETAIL-RS/MF SINGLE ITEM PORTION OVER \$10,000 (Pinal County, Douglas, Quartzsite)
017	RETAIL	xxx	MJ – Adult Use
		xxx	MJ – Child Use

**STATE ONLY BUSINESS CODES:**

CODE	BUSINESS CATEGORY	CODE	BUSINESS CATEGORY
002	MINING-NONMETAL	053	RENTAL CAR SURCHARGE (MAR)
007	PRIVATE (RAIL) CAR	055	RENTAL CAR SURCHARGE (PMA)
008	PIPELINE	056	JET FUEL TAX > 10 MILLION GALLONS
013	COMMERCIAL LEASE	129	USE TAX DIRECT PAYMENTS
014	PERSONAL PROPERTY RENTAL	153	RENTAL CAR SURCHARGE-STADIUM (MAR)
025	TRANSIENT LODGING	367	RETAIL-MPF IN AZ SINGLE ITEM PORTION OVER \$10,000 (PNL)
026	USE TAX-UTILITIES	912	E911 PREPAID WIRELESS
041	MUNICIPAL WATER		

**CITY ONLY BUSINESS CODES:**

CODE	BUSINESS CATEGORY	CODE	BUSINESS CATEGORY
016	CONSTRUCTION CONTRACTING - SPEC BUILDERS	111	RESTAURANTS AND BARS (ADDITIONAL TAX)
018	ADVERTISING	114	SHORT-TERM MOTOR VEHICLE RENTAL (PHOENIX)
020	TIMBERING & OTHER EXTRACTION	116	FEED AT WHOLESALE
027	MANUFACTURED BUILDINGS	133	PUBLIC UTILITY RIGHT OF WAY TAX
037	CONSTRUCTION CONTRACTING-OWNER BUILDER	144	HOTEL/MOTEL (ADDITIONAL TAX)
040	RENTAL OCCUPANCY	213	COMMERCIAL RENTAL, LEASING & LICENSE FOR USE
044	HOTELS	214	RENTAL, LEASING & LICENSING FOR USE OF TPP
045	RESIDENTIAL RENTAL, LEASING & LICENSING FOR USE	244	LODGING-EXTENDED STAY
062	RETAIL SALES-FOOD FOR HOME CONSUMPTION	313	COMMERCIAL LEASE (Additional Tax)
367	RETAIL-MPF IN AZ SINGLE ITEM PORTION OVER \$10,000	485	WASTEWATER UTILITY SERVICES
105	PUBLIC UTILITY (ADDITIONAL TELECOM TAX)	606	RETAIL SALES – FOOD FOR HOME CONSUMPTION

**LEGEND (Abbreviations):**

**AMUSE:** AMUSEMENT

**COMM LS:** COMMERCIAL LEASE

**DED or DEDUCT:** DEDUCTION

**FET:** FEDERAL EXCISE TAX

**JOB PR:** JOB PRINTING CLASSIFICATION

**M & E:** MACHINERY and EQUIPMENT

**MCTC:** MODEL CITY TAX CODE

**MPF:** Marketplace Facilitator

**MFTG or MFTR or MFTRD BLDG:** MANUFACTURING or MANUFACTURER or MANUFACTURED BUILDING

**MMAR:** MANUFACTURER, MODIFIER, ASSEMBLER or REPAIRER

**MV:** MOTOR VEHICLE

**ORG:** ORGANIZATION

**PC:** PRIME CONTRACTING

**PPR:** PERSONAL PROPERTY RENTAL (CLASSIFICATION)

**PROP:** PROPERTY

**RET:** RETAIL

**RS:** Remote Seller

**RX:** PRESCRIBED

**SNAP:** SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

**SVC:** SERVICE

**SVC:** SERVICE

**TPP:** TANGIBLE PERSONAL PROPERTY

**TELEC:** TELECOMMUNICATIONS (CLASSIFICATION)

**TR LODG or TRANS LODG:** TRANSIENT LODGING (CLASSIFICATION)

**TRANSPO:** TRANSPORTING (CLASSIFICATION)

**TX:** TAX

**UTIL:** UTILITIES or UTILITIES CLASSIFICATION

**USGOV:** UNITED STATES GOVERNMENT