

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)		
500 - PC: MAINTAIN-REPAIR-REPLACE-ALTER CONTRACT with PROPERTY OWNER	15	15 - 16 - 37
501 - MV MANUFACTURER CASH REBATE Assigned from PURCHASER to SELLER	17 – 29 – 203-420-605	17 – 29 -203-420- 605
502 - PC: 35% DEDUCTION Allowed	15	15 - 16 - 37
503 - 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
504 - RET: INTERSTATE or FOREIGN COMMERCE Sales	17-203-420	10 - 17 - 49 - 62 – 116-203-420-605 - 606
505 - 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
CITY SPECIFIC CODE: 738 - 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
506 - 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, 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
507 - FOOD RETAIL Sales to RESTAURANT	17 – 29 -605	17 - 29 – 62- 605-606
508 - AIRCRAFT sold to CARRIER, GOVT, NONRES	14 - 17 – 29 – 315-605	17 - 29 – 214- 315-605
509 - FUEL: NAT GAS or LPG for MOTOR VEHICLE	4 - 17 – 29 -605	4 - 17 – 29- 605

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510 - CHEMICALS that cause CHANGE in Product	17-29-605	17-29-605
511 - UTIL - FUEL: sold to QUALIFIED ENVIRONMENTAL TECHNOLOGY	4 - 17 - 29- 605	17 - 29 - 605
512 - FOOD to AIRLINE that is provided FREE to PASSENGERS	11 - 17 - 29- 605- 221-421	11 - 17 - 29 - 111 -605- 221-421
513 - FOOD Purchased with SNAP cards	11-17-111-221- 421	11-221-222-421-422-62- 605-606
514 - FOOD for ARIZ PRISON or JAIL	11 - 221-421-17 - 29- 605	17 - 62- 605 - 606
515 - FUEL: Taxed Motor Vehicle, USE, AVIATION or JET Fuel	14 - 17 - 29- 605	17 - 29 -605
<p>516 - 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
517 - TELEC: INTERNET ACCESS fees	5	5
518 - PC: LAND DEDUCTION not exceeding Fair Market Value	15	N/A

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LEGEND (Abbreviations) and BUSINESS CODE LISTINGS at end of this document.		
519 - LIBRARY MATERIALS to PUBLIC Libraries	17 – 29 - 605	17 – 29 - 605
520 - 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	<i>SEE CITY SPECIFIC CODE 720 BELOW</i>
720 - 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.	<i>SEE STATE SPECIFIC CODE 520 ABOVE</i>	17 – 29 -605
521 - LOTTERY TICKETS by Retailer	17 – 29 -605	17 – 29 -605
522 - M&E used directly in MANUFACTURING, PROCESSING, FABR, PRINTING Etc.	14 - 17 - 29 – 129- 605	17 - 29 – 214- 605
523 - M&E for COMMERCIAL MINING Operation Used Directly extract ores or minerals	14 - 17 - 29 – 129- 605	17 - 29 – 214- 605
524 - M&E for ELECTRIC UTILITY business	14 - 17 - 29 – 129 -605	17 - 29 – 214- 605
525 - M&E or Technology to Assist DISABLED to be FUNCTIONAL	17 – 29- 605	17-605
526 - DURABLE MED EQUIP - Rx & HCPC # for Home Use	14 - 17 – 29 605	17 - 29 – 214 - 605
527 - AMUSE: Monthly MEMBERSHIP Fees	12	<i>N/A</i>
528 - MV + Parts sold to MOTOR CARRIER LESSOR	17 – 29 - 605	17 – 29 - 605
529 - MV sold at AUCTION to NONRESIDENT	17 -605	17 - 605
530- 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	<i>N/A</i>

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531 - 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
532 - M&E to Repair CARRIER AIRCRAFT	14 - 17 – 29- 605	17 - 29 – 214 - 605
533 - INSULIN + SYRINGES + TEST STRIPS	17 – 29 -605	17 – 29 - 605
534 - Guest PERSONAL HYGIENE ITEMS sold to TRANSIENT LODGING BUSINESS	17 – 29 -605	17 – 29 -605
535 - PIPES VALVES 4"or LARGER for WATER-OIL- GAS-COAL SLURRY including related	14 - 17 – 29- 129- 605	17 - 29 – 214- 605
536 - DRUGS - OXYGEN Prescribed by DOCTOR	14 - 17 – 29 -605	17 - 29 – 214 -605
537 - 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> <u>Specific Cities (A.R.S. 42-6017 C. 3. (a)):</u> 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. Eff. <u>01/01/2020</u> -Avondale, Flagstaff, Glendale, Goodyear, Lake Havasu, Peoria, Surprise, Tempe Eff. <u>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	17 – 29 - 605	17-29 - 605
538 - SOLAR ENERGY DEVICES	14 - 17 – 29-315- 605	17 - 29 – 214- 315-605

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LEGEND (Abbreviations) and BUSINESS CODE LISTINGS at end of this document.		
539 - M&E Etc. to TELECOMMUNICATIONS Business	14 - 17 - 29- 129 - 605	17 - 29 - 214 - 605
541 - MV to NONRESIDENT that is shipped OUT-OF-STATE by RETAILER	17 - 605	17 - 605
542 - RETAIL WARRANTY or SERVICE Contract	17 - 29 - 605	17 - 29 - 605
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 MARRA 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

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556 - PPR: 1 st Month Lease Payment Transferred to 3 rd PARTY LEASING COMPANY	14	N/A
557 - PC: Cost of ARCHITECTURAL or ENGINEERING Service	15	15 - 16 - 37
558 - 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
559 - PROSTHETIC <i>Prescribed or Recommended</i> by MEDICAL PROFESSIONAL	14 - 17 – 29- 605	17 - 29 – 214 - 605
560 - PC: DEVELOPMENT FEES paid	15	15 - 16 - 37
561 - JOB PR: Cost of POSTAGE FREIGHT	10	10
562 - PC: Sale of USED MFTRD HOME	15	27
563 - GAS for COMPRESSOR EQUIPMENT	29 - 129	29
564 - RET: 3% of Income Sub to E911 Tax	912-627	N/A
565 - COMPUTER DATA CENTER EQUIPMENT Eff. Retro to 09/2013 *Eff. 10/2019 for Bus Code: 605	014 -15- 17 – 29 - 605*	214 -15- 17 – 29 – 605*
566 - FOOD ITEMS provided FREE to TRANSIENT LODGER	17 – 29 - 605	17- 605-606
567 - RET: Sale of CASH EQUIVALENTS	17 – 29 -605	17 – 29 - 605
568 - FOOD to RESTAURANT for EMPLOYEES during WORK HOURS	17 - 29 – 129- 605	17 – 29 - 605
569 - 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
570 - BUSINESS ACTIVITY for ENROLLED NATIVE AMERICAN or TRIBAL ENTITY that OCCURS <u>ON</u> RESERVATION	4 - 5 - 6 - 9 - 10 - 11 - 12 -13 - 14 - 15 - 17 - 25 – 29 - 203-221-420-421- 605	4 - 5 - 6 - 9 - 10 - 11 - 12 - 15 - 16 - 17 - 27 - 44 - 133 -144 -203- 213 - 214 –221- 222- 313-420 -421-422- 605

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571 - TPP to PERSONAL PROPERTY LEASING BUSINESS to LEASE	17 – 29 -605	17 – 29 -605
572 - TPP to QUAL COMMUNITY HEALTH CENTER	14 - 17 – 29- 203-315-414-420-605	4 - 9 - 10 - 11 - 17 - 29 - 111 -114 -203-214 -315-420-485-605-606
573-TPP/ PC: NONPROFIT ORG APT HOUSING for Low Income Persons Over 62	14 - 15 - 17 – 29 - 203-315-414-420-605	17- 203-315-420-605-606
574 - TPP to QUALIFIED HEALTH CARE ORG for handicapped children	14 - 17 – 29 – 203-315-414-420-605	17-114 –203- 214 -315-420- 605-606
575 - TPP to NONPROFIT ORG for HANDICAP Program---606?	14 - 17 – 29 -203-315-414-420-605	17 - 29 - 114 –203- 214-315-420- 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 – TPP/PC: GROUNDWATER MEASURING DEVICES	14 – 15 – 17 – 29- 315-605	15 – 16 – 17 – 29 – 37 – 214-315-605
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

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<p>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></p> <p><u>CITIES:</u> Buckeye, Casa Grande, Duncan, Fountain Hills, Lake Havasu, Marana, Maricopa, Parker, Pima, Tucson, Willcox</p>	<p><i>DEDUCTION CODE 585 IS USED FOR THESE SPECIFIC BUSINESS CLASSIFICATIONS FOR THESE LISTED CITIES</i></p>	<p>29 – 214</p>
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
588 – LIQUOR by LIQUOR WHOLESALER	17 -605	17 -605
589 - TPP/PC: ENVIRONMENTAL RESPONSE & REMEDIATION	2 – 15 – 17 – 29 - 315-605	15 – 17 – 29-315- 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 -315-605	17 – 29 – 214 – 315-605
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 -315-605	15 – 16 – 17 – 29 – 37- 214 -315-605
596 – APPLICATION SERVICES to TEST Students	5 – 14 – 17 – 29 – 605	5 – 17 – 29 – 133 – 214- 605
597 –TPP/PC: M&E to meet Fed & State POLLUTION Rules	14 – 17 – 29 – 129-315-605	17 – 29 – 214- 315-605
598 – FUEL to HEALTHY FOREST BUSINESS	17 – 29 -605	17- 605
599 – TPP/PC: M&E to PREVENT POLLUTION Farm Ranch	14 – 15 – 17 – 29 - 315-605	17-15 – 16 – 37-315- 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

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LEGEND (Abbreviations) and BUSINESS CODE LISTINGS at end of this document.

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
736 – NEAT ANIMALS HORSES used for BREEDING, Also LIVESTOCK POULTRY TO COMM BUS. <i>This Deduction is allowed for the specified cities below.</i> <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 <u>Eff. 01/01/2020</u> -Avondale, Buckeye, Chandler, Flagstaff, Gilbert, Glendale, Goodyear, Lake Havasu, Mesa, Peoria, Phoenix, Surprise, Tempe, Yuma <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	N/A	17-605
606 – BUS or URBAN MASS TRANSIT VEHICLE	14 – 17 – 29 – 605	17 – 29 – 214 – 605
607 – ENVIRONMENTAL TECH FACILITY	14 – 15 – 17 – 29 605	17 – 29 – 605
608 – PC: COST of 508 DED in Gross Income	15 – 315	15 – 16 – 37 – 315
609 – 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 INTERSTATE	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 –Dist 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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635 – PC: COST of 535 DED in Gross Income	15 – 315	15 – 16 – 37 – 315
636 – TR LODG: BED & BREAKFAST- LESS THAN 5 ROOMS and < 50% ANNUAL OCCUPANCY	25	N/A
637 – JOB PR: Delivered OUT-OF-STATE	10	N/A
638 – COMM LS: to NONPROFIT for MLB or GOLF	13	213 – 313
639 – PC: COST of 539 DED in Gross Income	15 – 315	15 – 16 – 37 – 315
640 – BUSINESS ACTIVITY TAXED under OTHER CLASS	6 – 12 – 25	6 – 12 – 44 – 144 – 244
641 – TELEC: COMMON LINE CHARGES	5	N/A
642 – COMM LS: to LICENSED NURSING CARE INSTITUTION	13	N/A
643 – TELEC: INTERSTATE TELEC SVCS	5	5 – 105 – 133
644 – PC: COST of 544 DED in Gross Income	15 – 315	315
645 – PC: COST of 545 DED in Gross Income	15 – 315	315
646 – PC: COST of 546 DED in Gross Income	15 – 315	15 – 16 – 37 – 315
647 – COMM LS: to NONPROFIT for RODEO	13	N/A
648 – TR LODG: SERVICE COMMISSIONS	25	44 – 144 – 244
649 – TELEC: SVCS PREPAID CARD or AUTH	5	5 – 133
650 – COMM LS: RESIDENTIAL > 29 DAYS	13	N/A
651 – PPR: PHOTOS Etc. for ARIZ TOURISM	14	N/A
652 – MINE: ACTUAL FREIGHT COST	2	N/A
653 – PC: COST of 553 DED in Gross Income	15 – 315	15 – 16 – 37 – 315
654 – PC: COST of 554 DED in Gross Income	15 – 315	N/A
655 – COMM LS: for RELIGIOUS WORSHIP	13	N/A
656 – PPR:VEHICLE REG FEE REIMBURSEMNT	14	114 – 214
657 – AMUSE: INSTRUCTIONAL ACTIVITIES	12	SEE CITY SPECIFIC CODE 803 BELOW
658 – MINE: PROCESS COST – SHIPMENT Out Of State	2	N/A
659 – 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 <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.

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 <i>City Retail Deduction Code is 545</i>	<i>SEE RELATED STATE CODE 545 ABOVE</i>	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	315
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> 713 – EXEMPT JOB PRINTING for LICENSED PUBLISHERS, <u>CITIES:</u> 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, Star Valley, Tempe, Tolleson, Tucson, Youngtown</p>	N/A	10

<p>CITY SPECIFIC CODE: 714 – QUALIFIED: HOSPITAL, HEALTH CARE, or COMMUNITY HEALTH CENTER CITIES: 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>715 – 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>716 – RET: POSTAGE STAMPS sold at Face Value</p>	17-605	17-605
<p>CITY SPECIFIC CODE: 717 – EXEMPT CoinOp CLEANING MACHINES CITIES: 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>718 – TR LODG: LODGING obtained at START for MORE THAN 29 Days</p>	25	SEE CITY SPECIFIC CODE 718 BELOW
<p>CITY SPECIFIC CODE: 718 – TR LODG: LODGING obtained at START for MORE THAN 29 Days CITIES: 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>719 – PC: MIXED WASTE PROCESS FACILITY</p>	15	15

<p><i>CITY SPECIFIC CODE:</i> 721 – 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> 722 – EXEMPT ALL MOTOR VEHICLE TRANSPORT FOR HIRE <u>CITIES:</u> Chandler, Cottonwood, Mesa, Phoenix, Sahaurita, Scottsdale, Sierra Vista, Snowflake, Tempe, Thatcher, Tolleson, Winslow</p>	<p>N/A</p>	<p>6</p>
<p><i>CITY SPECIFIC CODE:</i> 723 – 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, Show low, Sierra Vista, Thatcher, Tolleson, Willcox</p>	<p>N/A</p>	<p>4 104 (TU) 133 (NO)</p>
<p>724 – REST: GRATUITIES – TIPS distributed 100% to SERVERS or SERVICE EMPLOYEES-NOTE: State allows distribution of less than 100% if the difference is attributable to credit cards fees.</p>	<p>11</p>	<p>11 – 111</p>
<p>725 – TPP Sales <u>BY</u> Nonprofit Charitable IRC 501C(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> 727 – TAX MORATORIUM – REAL PROPERTY <u>CITIES:</u> Duncan, Eloy, Tucson</p>	<p>N/A</p>	<p>15 – 16 – 37 – 45 – 213</p>
<p><i>CITY SPECIFIC CODE:</i> 728 – DAVIS MONTHAN BASE TRANSACTIONS <u>CITY:</u> Tucson</p>	<p>N/A</p>	<p>4 – 5 – 11 – 15 – 16 – 17 – 37- 104 – 105 – 133-605</p>

<p>CITY SPECIFIC CODE: 730 – EXEMPT HEALTH DANCE SPORT FEES CITIES: Avondale, Benson, Bisbee, Carefree, Casa Grande, Clarkdale, Clifton, Dewey Humboldt, Duncan, Eloy, Flagstaff, Fountain Hills, Fredonia, Globe, Goodyear, Guadalupe, Jerome, Kingman, Kearny, 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, Winkelman, Youngtown, Yuma</p>	<p>N/A</p>	<p>12</p>
<p>CITY SPECIFIC CODE: 731 EXEMPT GOLF COURSE GREENS FEES CITIES: Bisbee, Duncan, Nogales, Patagonia, Sedona, Snowflake, Tolleson, Willcox</p>	<p>N/A</p>	<p>12</p>
<p>CITY SPECIFIC CODE: 732 – EXEMPT CONTRACTING FT HUACHUCA CITY: Sierra Vista</p>	<p>N/A</p>	<p>15 – 16 – 37</p>
<p>CITY SPECIFIC CODE: 734 – SPEC BLDR: EXEMPT FAIR MKT VALUE OF LAND CITIES: Bullhead City, Camp Verde, Douglas, Kingman, Lake Havasu, Pima, Parker, Pinetop-Lakeside, Prescott, Prescott Valley, Quartzite, Safford, Show low, Taylor, Willcox</p>	<p>N/A</p>	
<p>735 – AMUSE: ENTRY FEES for 501©(3) ORG’S RUN WALK SWIM RIDE or similar EVENT</p>	<p>12</p>	<p>12</p>
<p>CITY SPECIFIC CODE: 737-EXEMPT FINE ART PAINTING / SCULPTURE by original artist not for utilitarian use <i>This Deduction allowed only for the specified cities below.</i> Specific Cities (A.R.S. 42-6017 C. 7): Bisbee, Carefree, Mesa, Oro Valley, Prescott, Tempe, Tucson</p>	<p>N/A</p>	<p>17 – 29-605</p>

<p>CITY SPECIFIC CODE: 740 – EXEMPT TEL SVCS BY CABLE TV SYSTEM_ CITIES: 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>	N/A	5
<p>CITY SPECIFIC CODE: 741 – EXEMPT UTILS to OUT-OF-CITY CUST CITIES: 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>CITY SPECIFIC CODE: 742 – DONATION TO 501c3 CHARORGANIZATION CITIES: Camp Verde, Cave Creek, Colorado City, Kingman, Marana, Maricopa, Page, Phoenix, Prescott Valley, Quartzsite, Queen Creek, Scottsdale, Sedona</p>	N/A	29
<p>CITY SPECIFIC CODE: 743 – USE TAX EXEMPT SALES TO CITY_ CITIES: Benson, Chandler, Coolidge, Eagar, Fountain Hills, Glendale, Globe, Guadalupe, Huachuca City, Kingman, Lake Havasu, Maricopa, Mesa, Page, Peoria, Quartzsite (Eff. 01/2020 Kearny)(Eff. 06/2021 Miami)(Eff. 04/2022 Taylor) (Eff. 07/2022 Snowflake and Tolleson)</p>	N/A	29
<p>744 – VETERANS ORG: Sales of FOOD and DRINK on PREMISES</p>	11-221-421	11 – 111
<p>749 – USE TX: \$1000 DED OUT-OF-CITY PURCHASE EXP-9/30/19</p>	N/A	29
<p>750 – CITY – DIRECT CUSTOMER SERVICE</p>	SEE RELATED STATE AND CITY CODE 549 (Retail Only for city)	11 – 29 – 111 – 114 – 214
<p>752 – INCOME PRODUCING CAPITAL EQUIP –ANCILLARY M&E TO TREAT WASTE</p>	N/A	29 – 214

753 – SPEC BLDR: RECONSTRUCT – PRIOR VALUE	N/A	16
754 – PART IMPR PROP SOLD BY/TO SPEC BLDR	N/A	16
755 – RENTAL OF IRS “LOW INCOME UNIT”	N/A	45 – 213 – 313
756 – PPR: TPP SEMI or PERMANENTLY INSTALLED IN OTHER TAXING CITY	N/A	214
757 – NAT GAS TO PUBLIC UTIL for POWER GEN	N/A	4 133 (NO)
758 – Other TAXES/FEES Allowed by MCTC SECTION 260	N/A	5 – 29 – 105 – 133
759 – UTILITY POLES – Rentals of Space for Utility- Telecom-Cable Attachments	4 – 5 – 13 – 14	4 – 5 – 213 – 214 – 313
760 – CITY – OUT-OF-CITY SALES	N/A	10 – 17 – 49 – 62 – 104 – 105 – 116 – 133-605-606
<i>CITY SPECIFIC CODE:</i> 761 – PART of SINGLE ITEM SALE TAXED at 0%_ <u>CITIES:</u> Globe, Yuma	N/A	17 – 29 -605
762 – 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
763 – 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
764 – NONPROFIT ORG producing CULTURAL or CIVIC Festival / Event & Sales	12 – 17 – 29 – 605	12 – 17 – 29 – 605
765 – COMM LS: PRE 12/1/1967 Lease	13	N/A
766 – COMM LS: for BOARDING HORSES	13	N/A
767 – COMM LS: By TRADE or Industry Association I.R.S. 513(d)(3)© ORG	13	N/A
768 – COMM LS: GOVT Owned Venue – Less than 22 Days	13	N/A
<i>CITY SPECIFIC CODE:</i> 769 – TELEC: CREDIT for CABLE LICENSE FEES_ <u>CITY:</u> PX. (DIVIDE FEE AMOUNT BY PX TAX RATE)	N/A	5
771 – PC: COST of 671 DED in Gross Income	N/A	15 – 16 – 37 – 315
772 – TRANSP: TRANSPORTATION NETWORK COMPANY’S Income or Fees or Driver’s Income	6	6
773 – RET – FINE ART sold by an ART GALLERY or ART AUCTION to a NONRESIDENT	17-605	SEE other <i>CITY SPECIFIC CODE 737</i>

773 – RET – FINE ART sold by an ART GALLERY or ART AUCTION to a NONRESIDENT <u>Specific City</u> Scottsdale	SEE STATE CODE 773 ABOVE	17
774 – PPR: BILLBOARD for ADVERTISING or INFO	14	N/A
775 – TR LODG: ONLINE LODGING OPERATOR INCOME from REGISTERED ONLINE LODGING MARKETPLACE	25	44 – 45 – 144 – 244
776 – RES RENTAL: ONLINE LODGING OPERATOR INCOME from REGISTERED ONLINE LODGING MARKETPLACE	N/A	45
777 – 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
778 – TRANSP: VEHICLE For HIRE COMPANY’S Income or Driver’s Income	6	6
<i>CITY SPECIFIC DEDUCTION CODE:</i> 779 – TELEPHONE SERVICES PROVIDED TO ANY U.S. GOVERNMENT UNIT <u>Specific City:</u> Flagstaff	N/A	133
780 – JET FUEL: Sales to a Purchaser that exceed 10 million gallons (See Arizona Form 5008)	49 – 51	See <i>City Specific</i> code 780 below
780 – JET FUEL: Sales to a Purchaser that exceed 10 million gallons (See Arizona Form 5008) <u>Specific Cities:</u> Bullhead City, Benson (Eff. 2/22), Chandler, Camp Verde, Gila Bend, Glendale, Goodyear, Lake Havasu , Mesa, Phoenix, Prescott, Scottsdale, Sierra Vista, Winslow.	SEE STATE CODE 780 ABOVE	49-51
781 – PC: COST of 751 DED in Gross Income	N/A	15 – 16 – 37 – 315
782 – PC: COST of 752 DED in Gross Income	N/A	15 – 16 – 37 – 315
783 – UTIL / USE TAX: ELEC or NAT GAS sold to or used by an INT’L OPS CENTER in Arizona	4 – 29	4 – 29
784 – PPR: FILMS Etc. to THEATERS or TV / RADIO Stations	14	214
785 – AMUSE – PPR: Arizona State or County FAIR sponsored Events or Activities	12 – 14	12 – 214

786 – PPR: COIN-OPERATED Laundry and Car Washing Machines	14	SEE <i>CITY SPECIFIC CODE 717</i>
787 – PPR: AIRCRAFT or Flight Simulator Rental by Nonprofit Educational Institutions	14	214
788 – TELEC: CREDIT for SENIOR ASSISTANCE PROGRAM DISCOUNT (Divide discount amount by combined State and County tax rate)	5	N/A
789 -TELEC: Over the Top (OTT) Services –Radio or Television ONLY	5	5
790 – CITY – ADVERTISING EXEMPT (National etc.)	N/A	18
791 – COMM LEASE (RES RENTAL): PATIENT CHARGES by HOSPITAL, LIC NURSING CARE, or DIALYSIS FACILITY for USE OF ROOMS	N/A	45
792 – COMM LEASE (RES RENTAL): “PERSONAL CARE” or “DIRECTED CARE” CHARGES by LICENSED: ASSISTED LIVING FACILITY, CENTER, or HOME	N/A	45
793 – OLM: Commissions NOT INCLUDED in price of lodging	325	44-144-45
794 – OLM: EXEMPT CLASS 1 PROPERTY included in Gross Receipts	325	44-144-45
799 – PC: COST of 699 DED in Gross Income	15 – 315	315
<i>CITY SPECIFIC CODE:</i> 801 – SPEC BLDR: EXEMPT – IN PLACE LEASE	N/A	16
<i>CITY SPECIFIC CODE:</i> 802 – SPEC BLDR:EXEMPT STATE/COUNTY TX PAID BY CONTRACTOR	N/A	16
<i>CITY SPECIFIC CODE:</i> 803 – 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	SEE <i>RELATED STATE CODE 657</i> (For private <u>or</u> group instructional activities)	12

804 – SALES MADE THROUGH another’s Marketplace	17 -203-420-605	17 -203-420-605-606
806 – ENERGY SOLD TO C.A.P.	4	4
807 – EXCISE TAX COLLECTED or FACTORED included in Gross Receipts	420	420
808- INCOME rec THRU CAR SHARING PROGRAM	014-414	214-114
809-Utility Scale M & E used Directly for Energy Storage	14-15-17-29-605	14-15-17-29-605
810-HVY VEHICLE SOLD to NON-RES used in INTERSTATE COMM- Effective 10/1/2022	17	17
811-INSTALLATION of CONTAINMENT STRUCTURES Effective 10/1/2022	15	15-16-37

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.

FOR A LISTING OF BUSINESS CODES RELATED TO TIERED RATES PLEASE REFER TO THE TAX RATE TABLE

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
		203	MEDICAL MARIJUANA RETAIL SALES
		221	MEDICAL MARIJUANA RESTAURANT
011	RESTAURANTS AND BARS	420	ADULT USE MARIJUANA RETAIL SALES
		421	ADULT USE MARIJUANA RESTAURANT
012	AMUSEMENT	605	RETAIL - RS/MF OUTSIDE ARIZONA
015	CONTRACTING – PRIME		
017	RETAIL		

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	325	ONLINE LODGING MARKETPLACE
		414	PEER TO PEER CAR SHARING
026	USE TAX-UTILITIES	912	E911 PREPAID WIRELESS
041	MUNICIPAL WATER	627	E911 RS/MF OUTSIDE ARIZONA

CITY ONLY BUSINESS CODES:

CODE	BUSINESS CATEGORY	CODE	BUSINESS CATEGORY
016	CONSTRUCTION CONTRACTING - SPEC	111	RESTAURANTS AND BARS (ADD'L 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 (ADD'L 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
		222	MEDICAL MARIJUANA RESTAURANT (ADD'L TAX)
		422	ADULT USE MARIJUANA RESTAURANT (ADD'L TAX)
062	RETAIL SALES-FOOD FOR HOME CONSUMPTION	313	COMMERCIAL LEASE (ADD'L TAX)
105	PUBLIC UTILITY (ADD'L TELECOM TAX)	485	WASTEWATER UTILITY SERVICES
		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