



## **IMPORTANT CHANGES UNDERWAY: TRANSITION TO CENTRALIZED LICENSING AND REPORTING FOR TRANSACTION PRIVILEGE TAXES**

The State of Arizona and its Cities and Towns continue to work together to achieve the goal of simplifying the manner in which taxpayers report and pay their Transaction Privilege Tax (TPT) through the centralization of licensing and reporting of TPT liabilities for all cities and towns with the Arizona Department of Revenue (ADOR). The City of Phoenix is committed to ensuring that taxpayers experience a smooth transition in licensing, filing and reporting Transaction Privilege Tax (TPT) liabilities due to Phoenix with the Arizona Department of Revenue. In coordination with ADOR, the City of Phoenix is encouraging the transition for businesses currently reporting to Phoenix for their business activity **ahead** of the anticipated State deadline, which is expected to be later this year.

In order to ensure that your business activity is reported accurately and completely at ADOR, you may begin filing and reporting your Transaction Privilege Tax liability due to the City of Phoenix with the Arizona Department of Revenue by taking the following steps:

1. Register your Phoenix location with the Arizona Department of Revenue electronically as instructed in the State's tutorial videos titled "AZTaxes.gov-New User Registration", "AZTaxes.gov-Registering for AZTaxes", and "AZTaxes.gov-Licensing Your Business with the Arizona Department of Revenue"  
(<https://www.azdor.gov/TaxpayerEducation/Tutorials.aspx>).
2. If your business is already registered in the AZTaxes.gov system, add "Phoenix" as a location in the Region Code screen and the appropriate Business Codes as instructed in the State's tutorial titled "AZTaxes.gov-Step-by-Step Instructions to Completing the TPT-2 Form".
3. If your business has more than one physical location in Arizona, it is State law that you file the State's multijurisdictional TPT-2 tax return form and remit your payment online via the AZTaxes.gov website (<https://www.aztaxes.gov/Home>). The filing and payment due dates are listed in the Transaction Privilege and Use Tax Due Date Calendar located on this webpage.
4. Complete Phoenix TPT Simplification Form 2111 and return it to the City of Phoenix Tax Division as instructed at the bottom of the form. Your TPT license will be inactivated at the City of Phoenix.

Please note that outstanding TPT balances and Phoenix forms for tax periods prior to the beginning tax period City of Phoenix TPT is reported and filed with ADOR must be remitted and filed directly with the City of Phoenix.

You may visit the City of Phoenix Tax Division offices or call us at phone number (602) 262-6785, Option 4, if you would like to schedule an appointment for hands-on instruction on how to transition your licensing and reporting of Phoenix TPT liability to the State. Otherwise, ADOR offers free Taxpayer Education tutorials and this information can be obtained at the State's website accessible at <https://www.azdor.gov/TaxpayerEducation/Tutorials.aspx>.

We thank you for helping us make "TPT Simplification" a success. We are confident that these changes will make it easier for Arizona businesses to report their State, County and City TPT taxes.

***Tax Collector***