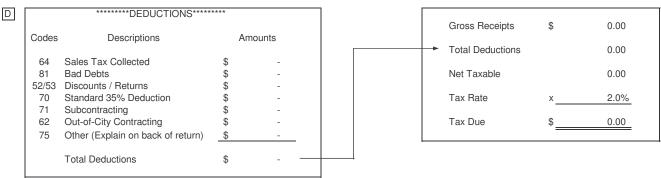
WORKSHEET FOR CONSTRUCTION CONTRACTING REVENUE (Business Activity Code 15) FOR THE CITY OF PHOENIX PRIVILEGE (SALES) TAX RETURN

Effective June 1, 2013 Α HOW TO CALCULATE DEDUCTION CODE 70 - STANDARD 35% DEDUCTION 1. Write down the Gross Receipts for the month. **Gross Receipts** 1 This amount should also be written on the tax return. Less: 62 - Out-of-City 2. Total the other deductions you may have that Constr. Contr. must be taken out of revenue before the 71 - Subcontracting Standard 35% Deduction is calculated. 52/53 -Discounts & Refunds \$ 81 Bad Debts Other deductions include Discounts Allowed, 75 Other Refunds and Returns, Bad Debts, and Subtotal: 0.00 0.00 2 Miscellaneous (requires explanation). 3. Subtract the deductions from the Gross Receipts. Gross Receipts less This amount equals revenue for the City of Phoenix only. deductions above 0.00 3 4. Divided by 1.05395. This figure is calculated by Divided by 1.05395 1.05395 4 multiplying $65\% \times 0.083 = 0.05395 + 1$ 5. This is the revenue amount used to calculate Revenue including 35% 0.00 5 the standard 35% deduction. deduction Multiply by 35% 35% 6. Record this figure on your tax return as your Code 70 - Standard 35% Deduction 0.00 6 deduction for code 70. 7. Subtract your deduction 70 from the subtotal Net Taxable Amount 0.00 7 listed in Step #5 to get the Net Taxable Amount. Record this figure on the tax return. 8. Multiply the amount from Step # 7 by the current City 2.0% tax rate to calculate the Tax Due. Record This figure on the return. 0.00 8 В TO CALCULATE THE DEDUCTION CODE 64 - SALES TAX COLLECTED 9. Write down the amount calculated in Step # 3 above 0.00 9 10. Write down the amount calculated in Step # 5 above less 0.00 10 11. Subtract the amount in Step # 10 from the amount in Step # 9. Record this figure as Deduction 64 on your tax return. 0.00 11 С TO VERIFY THE DEDUCTION CODE 64 CALULATED ABOVE 12. Write down the amount calculated in Step # 7 above. 0.00 12 13. Multiply the amount in Step # 12 by the current total tax rate imposed by the City of Phoenix and State of Arizona for construction within Phoenix boundaries. 8.30 13 14. This total should equal the amount calculated in Step # 11 above. A rounding difference of a 0.00 14 penny may occur. RECAP OF AMOUNTS TO BE TRANSFERRED TO TAX RETURN



If you have any questions, please contact Tax Accounting at (602) 262-6785, press 6 or FAX number (602) 262-7151.

If you would like to request this form in excel format, please contact Christina Muller, Taxpayer Liasion, (602) 256-4364 or submit an email to christina.muller@phoenix.gov