

Town of Dewey-Humboldt
P.O. Box 69, 2735 S. Hwy. 69
Dewey-Humboldt, AZ 86329
928-632-7362

Summary of the Dewey-Humboldt Transaction Privilege Tax Code

This information is intended to provide general information about the Dewey-Humboldt transaction privilege tax code. The Arizona Dept. of Revenue administers the Dewey-Humboldt transaction privilege tax (TPT). You will obtain your TPT license, file your TPT returns, and make your tax payments through the Arizona Dept. of Revenue (ADOR). ADOR will process your returns and maintain your TPT accounting records. The ADOR offers an excellent website located at <http://www.azdor.gov/> from which you can obtain forms and information pertaining to your business taxes.

The state of Arizona has a separate tax code, while the cities/towns of Arizona utilize the Model Town Tax Code. The Model Tax Code can be found at <http://modelcitytaxcode.az.gov/>. From this website you can review the Local and Model Options selected by the Town of Dewey-Humboldt.

The following business categories are subject to the Dewey-Humboldt transaction privilege tax: Amusements; Advertising; Job Printing; Retail; Utilities; Telecommunications; Contracting; Rental of Real Property; Hotel; Publishing; Manufactured Buildings; Rental of Personal Property; and others.

For further information regarding the Town of Dewey-Humboldt transaction privilege tax and its application to these business categories, please contact Deni Thompson, Town Accountant, at 928-632-7362 or by email at DeniThompson@dhaz.gov.

Below are information briefs on the transaction privilege tax of the Town of Dewey-Humboldt for the following business categories:

Real Property Rentals: The gross receipts from all commercial property rentals located within the Town of Dewey-Humboldt are subject to tax. Residential rental property is taxable if the property owner has three or more residential rentals in Arizona. However, a single unit of residential rental property becomes taxable if the property owner has any commercial rental property in Arizona. Further, all rental property managed by a property manager are subject to the tax even if it otherwise would be exempt if under the owner's care. The Town's 2.0% privilege tax is levied on the party that leases to the tenant in actual possession.

Construction Contracting/Speculative Builders: The Town of Dewey-Humboldt levies a 2.0% privilege tax on the gross receipts of all construction contractors and speculative builders for projects constructed in Dewey-Humboldt. Dewey-Humboldt does not allow a land deduction from the gross receipts of speculative builders. Gross receipts include labor, materials and other charges to customers. Deductions from gross receipts include the 35% standard contracting deduction. The Arizona/Yavapai County privilege tax is reported on the contracting listed as "Yavapai County" and the rate is 6.35%.

Advertising: The gross receipts from the sale of local advertising in newspapers, radio, billboards or any other manner within the Town limits of Dewey-Humboldt is subject to tax. Publishers of free magazines and other literature, e.g., coffee shop newsletters, are also subject to this tax.

Telecommunications: Telecommunication devices are subject to the Town of Dewey-Humboldt TPT rate of 2.0%. This includes portable phones, pagers, etc. For portable devices, the TPT tax is to be reported to the city/town of the billing address of the customer.

Retail Sales: The sale of tangible personal property at retail is subject to the Town's 2.0% privilege tax. Food for home consumption is subject to a 2.0% Dewey-Humboldt tax only. The Town of Dewey-Humboldt taxes the sale of art, including original artwork that is commissioned. The Town also taxes the sale of retail items to non-residents who purchase the items in the Town, regardless of whether or not it is shipped to an out of state location.

Sale of food or items for home consumption: The sales of items intended for home consumption are subject to tax by the Town, but are exempt from Arizona state tax. Sales of deli type food items, hot and cold beverages sold in open containers, and other similar food items are considered restaurant sales and are taxable by the Town and the State of Arizona. One example is a beverage bar in a convenience store, where hot and cold beverages are sold. Another example would be a deli in a grocery store.

Use Tax: The Town levies a 2.0% Use Tax. Any person who uses, stores or consumes any tangible personal property, on which a sales tax has not been collected, shall pay the Use Tax. An out-of-state retailer or utility business making sales of tangible personal property to Arizona purchasers must register with the ADOR for the collection of the Use Tax. See the Use Tax information letter for more details.