



**PRIVILEGE (SALES), USE and TRANSIENT LODGING (BED) TAX REPORT**

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License # **99999** Report Period: **Jan-03**

**DUE DATE:** The due date for the city privilege tax is the 20th of the month following the reporting period. A return is considered timely if received by the last business day of the month. A business day is any day except Saturday, Sunday or a city holiday.

**POSTMARKS ARE NOT EVIDENCE OF TIMELY FILING.**

**PENALTIES and INTEREST:**

- Line 10a Late Payment Penalty - A penalty of 10% of the unpaid tax will be assessed if the tax is not paid timely.
- Line 10b Interest - Taxes received after the delinquency date will be assessed interest at a rate of 1% per month until paid. The interest CAN NOT be abated by the Tax Collector.
- Line 10c Late Filing Penalty - A penalty of 5% of the tax due will be assessed for each month, or fraction elapsing between the delinquency date of the return and the date on which it is filed. Filing your return on time, whether or not you pay the tax due, will avoid the late filing penalty.

**CHECK YOUR RETURN:** Check the amounts recorded by type of income for each line item as follows.

- \* Itemized Deductions equal the Total Deductions recorded.
- \* Taxable Income equals Gross Income less Total Deductions.
- \* Tax Due is equal to the amount obtained by applying the preprinted tax rate to the taxable income.
- \* Total Tax Due equals Tax Due plus any Excess Tax Collected.

**FOR ASSISTANCE, CALL:** City of Tempe (480) 350-2955 Fax:(480) 350-8659

**SCHEDULE A - INSTRUCTIONS:**

Enter the deductions used in computing the city privilege (sales) and use tax. A detailed record must be kept of all deductions and exemptions. Failure to maintain proper documentation and records required by city code may result in the disallowance of these deductions and exemptions. Separate records must be maintained only when city income, deductions or exemptions are different from the State of Arizona.

*Please note:* Not all deductions are available to all business classifications.

**NOTE:** The line numbers for each column below correspond with the line numbers of the business descriptions listed on the front page.

**SCHEDULE A:**

- 1. Total tax: collected or factored (State, county and city)
- 2. Bad debts on which tax was paid
- RETAIL & PERS. PROP. RENTALS**
- 3. Sales for resale
- 4. Repair, service, or installation labor
- 5. Discounts and refunds
- 6. Sales to *qualified* health care org.
- SALES TO U.S. GOVERNMENT**
- 7. By retailer (50% deductible)
- 8. By manufacturer & repairer (100% deductible)
- OUT-OF-STATE SALES**
- 9. Sales to nonresidents for use out-of-state when vendor receives the order from out-of-state and vendor ships or delivers out-of-state
- CONSTRUCTION CONTRACTING**
- 10. Reserved
- 11. 35% reduction of gross receipts
- 12. Exempt sub-contracting income
- 13. Out-of-City Contracting
- OTHER DEDUCTIONS**
- 14. Reserved
- 15. Sales of gasoline and use fuel
- 16. Sales of exempt machinery & equip.
- 17. Prescription drugs/prosthetics
- 18. Other (describe) \_\_\_\_\_
- 19. Other (describe) \_\_\_\_\_
- 20. Other (describe) \_\_\_\_\_

	LINE 1	LINE 2	LINE 3	LINE 4	LINE 5	LINE 6
Code	Bus. Class	Bus. Class	Bus. Class	Bus. Class	Bus. Class	Bus. Class
F	11	14	17	20	25	
	42,209.70	56,042.33	6,976.74			
H						
B						
A						
D			25,000.00			
Q						
E						
E						
O						
C						
S						
S						
G						
M						
I						
J						
J						
J						
<b>Total Deductions:</b> Copy amounts to front	42,209.70	56,042.33	31,976.74	0.00	0.00	

**SCHEDULE B**

	LINE 1	LINE 2	LINE 3	LINE 4	LINE 5	LINE 6
Excess tax collected by activity						
Total excess tax (add columns 1 through 6) Copy amount to column 5, line 8 on front					Total Excess Tax	
Allowable credits by activity						
Total allowable credit (add columns 1 through 6) Copy amount to column 5, line 12 on front					Total Credits	

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# Privilege (Sales) and Use Tax RETURN INSTRUCTIONS

City of Tempe  
Tax and License Division  
PO Box 5002  
Tempe, Arizona 85280



ALL RETURNS SHOULD BE MAILED TO THE FOLLOWING ADDRESS:

CITY OF TEMPE  
TAX and LICENSE DIVISION  
PO BOX 29618  
PHOENIX AZ 85038-9618

ALL OTHER CORRESPONDENCE SHOULD BE MAILED TO:

CITY OF TEMPE  
TAX and LICENSE DIVISION  
PO BOX 5002  
TEMPE AZ 85280-5002

## STEP BY STEP INSTRUCTIONS

Refer to the sample Tempe PLT Tax Form

The following numbered instructions correspond to the numbered sections of the sample return.

- 1 Your (PLT) License number, the Reporting Period, and the Due Date for the return will all be preprinted on the form you receive.
- 2 Use the space inside this box to indicate any changes to your account. Examples include a change of address, closing of your business (give effective date), sale of your business to someone else (give effective date and name & address of new owner.)
- 3 Description of Business Activity and Business Class Code will be preprinted on your return. This will be based on information on your PLT application.
- 4 The line number corresponds to the column number in Schedule A on the back side of the return.
- 5 Enter the total Gross Income for each revenue activity. If you file quarterly, combine the gross income for the applicable three months and enter the sum for each business class and suffix. If you are a quarterly basis filer, do not separately list the income for each month of the quarter.
- 6 Enter the Total Deductions, as you have shown on Schedule A of the back side of the return, for each revenue activity.
- 7 To calculate Taxable Income, for each revenue activity, subtract the Total Deductions, column 2, from Gross Income, column 1.
- 8 The appropriate tax rate for each revenue activity will be preprinted in column 4.
- 9 To calculate Tax Due, multiply Taxable Income, column 3, by the Tax Rate, column 4.
- 10 Add Lines 1 through 6 of column 5 and enter the result on line 7.



- 11 Enter any Excess City Tax Collected, from line 6 of Schedule B on the back side of the return.
- 12 Enter the total of lines 7 and 8.
- 13 Line 10a If the tax is paid after the last business day of the month, a 10% Late Payment Penalty is assessed for late or unpaid taxes.  
Line 10b Interest of 1% per month is calculated on the delinquent tax. Interest does not accrue for the first month of the delinquency.  
Line 10c If the return is filed after the last business day of the month, a Late Filing Penalty of 5% for each delinquent month is assessed for a maximum of three months (15%).  
(Leave lines 10a through 10c blank if you want the City to compute the penalty and interest.)
- 14 Total lines 9 through 10c and enter the result on line 11.
- 15 Enter the Total Credit Balance, from line 6 of Schedule B on the back side of the return.
- 16 Subtract the Total Credit Balance, line 12, from the Total Liability, line 11, and enter the result on line 13.
- 17 Enter the amount of your payment.
- 18 Each return must be signed by the taxpayer.
- 19 If the return has been prepared by a paid preparer, the return must include the preparer's signature.
- 20 Your (PLT) License number and the Reporting Period will all be preprinted on the form you receive.
- 21 The columns correspond to lines 1 through 6 on the front side of the return for the Business Description Code entered at the top of the column.
- 22 Enter the amount of each claimed deduction on the appropriate deduction line for each Business Code.
- 23 Total the deduction amounts in each column and enter the result(s). Copy this number to the appropriate line in column 2 on the front side of the return.
- 24 Enter the amount of Excess City Tax Collected for each Business Code.
- 25 Total the Excess City Tax Collected amounts in each column and enter the result(s). Copy this number to line 8 on the front side of the return.
- 26 Enter the amount of Allowable Credit for each Business Code.
- 27 Total the Allowable Credit in each column and enter the result(s). Copy this number to line 12 on the front side of the return.

