



## Revised 2021 TPT electronic filing and paying threshold goes into effect Jan. 1, 2021

*Businesses filing electronically can receive up to \$2,000 back through the enhanced accounting credit for e-filing.*

Under legislation enacted in 2017, businesses with an annual transaction privilege tax (TPT) and use tax liability of \$500 or more during the prior calendar year will be required to file and pay electronically starting in February 2021 for the January reporting period.

The revised 2021 threshold of \$500 is a change from the 2020 level of \$5,000.

E-filing and paying are more secure, faster, and critical for ADOR to deliver a more results-driven, customer-focused management system that produces enhanced services for taxpayers. Additionally, the department will stop mailing paper TPT-EZ returns to customers.

Businesses failing to file and pay electronically are subject to the following:

- A penalty of 5% of the tax amount due for filing a paper return. The minimum penalty is \$25, including filings with zero liability.
- A penalty of 5% of the amount of payment made by check or cash.
- A penalty of 4.5% of the tax required to be shown on the return for each month or fraction of a month the return is late. There is a minimum of \$25 and a maximum of 25% of the tax due or \$100 per return, whichever is greater.

In 2021, the out-of-state sellers' economic threshold is \$100,000, and accordingly, they are required to file electronically.

To file and pay online, a business must be registered on [www.AZTaxes.gov](http://www.AZTaxes.gov) and use Automated Clearance House (ACH) Debit, e-check or credit card as a payment method to comply with electronic funds transfer (EFT) payment requirements.

For more information on e-services for businesses in Arizona, go to <https://azdor.gov/e-services/e-services-businesses-arizona>.