

COMPTROLLER POLICY MANUAL

	POLICY: CMP 108
	Section: 100 General
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	Responsible office: Comptroller
	Origination date: 01/01/2000
Subject: Sales Tax	Effective date: 01/01/2000
	Revision date: 10/30/2018

PURPOSE

To define university sales transactions subject to Arizona sales tax

SOURCE

Arizona Administrative Rules and Regulations, R15-5-101 to R15-5-2237

Arizona Department of Revenue

University Policy

BACKGROUND

The university has one Arizona sales tax license covering all taxable sales. Sales tax payments to the Department of Revenue are compiled by the Comptroller's Office. Departments desiring to sell goods or services should contact the Comptroller's Office to determine whether these sales are taxable and, if taxable, for the procedures to be followed.

Responsibility for making inquiries to the Comptroller's Office for sales tax determinations and collection of taxes rests with each university department. The Comptroller's Office responsibility is to facilitate the overall sales tax process and provide guidance to departments.

CMP 108: Sales Tax

Deposit Transmittal Procedure:

Departments are responsible for collecting and reporting Sales Tax through their deposit transmittal. Sales tax should be separated from departmental revenue on the Deposit Transmittal form. Sales tax should be recorded to account 202110 - Sales Tax Remittance under the same fund as the department's revenue deposit.

The university is subject to Arizona sales tax; however, this sales tax does not apply to interdepartmental transactions and sales that are casual or inconsequential at the university level. The sales areas subject to sales tax are listed in the table below.

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State Sales Tax Categories		Tax Rate	
Tax Area	Definition		Effective 1/1/15
1. Printing	Sales of printing apply to job printing, engraving, embossing, and copying.		6.90%
2. Retail	Retail sales include tangible personal property, except textbooks sold by the NAU Bookstore.		6.90%
3. Publishing	Publishing revenues include sales of newspapers, magazines, or other periodicals, including gross income from subscriptions.		6.90%
4. Rental of Commercial Property	Includes rental or leasing of any tangible commercial property.		0.30%

Goods Purchased for Resale

Goods purchased for resale can be exempt from state sales tax at the time of purchase.

Departments must collect state sales tax at the time of the retail sale. Additionally, the department must remit the state sales tax collected at the time of the retail sale through the university-wide monthly tax return prepared by the Comptroller's Office.