

FLORENCE PRIVILEGE TAX

- Interstate transmissions. Charges by a provider of telecommunication services for transmissions originating in the Town and terminating outside the State are exempt from the tax.

MOBILE EQUIPMENT

In cases where the customer is being provided telecommunication services to receiving/transmission equipment designed to be mobile in nature (for example, mobile telephones, portable hand-held two-way radios, paging devices, etc.), the provider shall determine whether such customer are "within the Town corporate boundaries" as follow:

- By the billing address of the customer, provided that such address is a permanent residence or business location of the consumer within the State.
- In all other cases, the business location of the telecommunications provider.

General Information:

Sales Tax Rates:

State	-	5.6 %
County	-	1.1 %
Town	-	2.0 %
Total	=	8.7 %

Tax change for State effective 06/01/2013

**Town of Florence
Finance Department
775 N. Main St.
P.O. Box 2670
Florence, AZ 85132**

For more information please contact:

520-868-7570 Finance Department
520-868-7505 Finance Director

This publication is for general use only. For complete details, refer to the Town of Florence Tax Code. More detailed information is also available on the "Taxpayer Bill of Rights" Brochure, on the town website: www.florenceaz.gov.

For payment of Sales Tax for the Town of Florence, filing, or State Licensing contact ADOR @ 1-800-634-6494, or go to www.aztaxes.gov.

TELECOMMUNICATIONS



This publication is for general information regarding Transaction Privilege (Sales) Tax on telecommunication services. For complete details, refer to the Town of Florence Privilege & Use Tax Code and related regulations. In the case of an inconsistency or omission in this publication, the language of the Tax Code will prevail. The transaction privilege tax is commonly referred to as a sales tax; however, under Arizona State law, the tax is on the privilege of doing business in Florence and is not a true sales tax.



June 2013

TELECOMMUNICATIONS

YOU OWE TAX ON TELECOMMUNICATIONS IF:

You are engaged in the business activity of providing telecommunication services to consumers with the Town of Florence. The tax is due to the Town whether or not you added privilege tax to the charge for services.

TAX RATE FOR TELECOMMUNICATION SERVICES

The town tax rate is 2% of telecommunications taxable income.

COLLECTION OF TAXES

You may choose to charge the tax separately on each sale, or include privilege tax in your price. If you over charge any tax to your customers, you must remit the excess tax to the Town.

If your price includes privilege tax, you can compute how much of the total price is privilege tax. You may deduct the total town, state, and county privilege taxes from your gross receipts.

WHAT ARE TELECOMMUNICATION SERVICES?

Telecommunication services shall include:

- Two-way voice, sound, and/or video communication over a communications channel.
- One-way voice, sound, and/or video communication over a communications channel.
- Facsimile transmissions.
- Providing relay or repeater services.
- Providing computer interface services over a communications channel.
- Time-sharing activities with a computer accomplished through the use of a communication channel.

WHAT IS TELECOMMUNICATION INCOME?

Gross income from the business activity of providing telecommunication services to consumers within the Town shall include:

- All fees for connection to a telecommunication system.

- Toll charges, charges for transmissions, and charges for other telecommunication services; provided that such charges relate to transmissions originating in this Town and terminating in this State.
- Fees charged for access to or subscription to or membership in a telecommunication system or network.
- Charges for monitoring services relating to a security or burglar alarm system located within the Town where such system transmits or receives signals or data over a communications channel.

WHAT TELECOMMUNICATION ACTIVITY IS EXEMPT FROM PRIVILEGE TAX?

- Resale telecommunications services. Gross income from sales of telecommunications services to another provider of telecommunication services for the purpose of providing the purchaser's customers with such service shall be exempt from the tax; provided; however, that such purchaser is properly licensed by the Town to engage in such business.