



TPT Alert: Did the Legislature Change the Law Yet?

A newly formed stakeholder group is working together on proposed legislation that will finally result in TPT collection at the point of sale.



By [Matt Meaker](#)

Even though the Arizona legislature's "simplification" of the Transaction Privilege Tax (TPT) went into effect more than a year-and-a-half ago, many companies still struggle to understand and comply with the new law. An effort during the 2016 legislative session to address the confusion did not get very far, leaving contractors and suppliers to wonder, "What now?"

The professed goal of TPT reform has been to collect the tax at the point of sale. While that was the strong recommendation of then-Governor Brewer's TPT Simplification Task Force in 2013, it appears that, despite multiple efforts, achieving that goal is easier said than done.

Stakeholder Group

Fortunately, there is hope in the form of a TPT stakeholder group that came together this year. The group includes representation from the:

- Arizona Department of Revenue
- League of Arizona Cities and Towns
- Home Builders Association of Central Arizona
- Arizona Builders Alliance
- Arizona State Contractors Coalition (for which I serve as co-chair)
- Construction Financial Management Association

The group also includes a representative of Governor Ducey's office and four members of the Arizona legislature, one of whom, Rep. Regina Cobb (R-Kingman), is expected to sponsor the next - and hopefully last - TPT reform bill in the 2017 session. It is very likely this effort will result in collection of TPT at point of sale.

Opinions Wanted

If, over the next few months, you have thoughts or ideas about the TPT issue, please call (480-425-2627) or [email](#) me, or contact the leaders of any of the above associations of which you are a member.

This is a major issue for the entire construction industry, and we want to make sure that the next attempted resolution will finish the job. In the meantime, I will continue to issue "TPT alerts" to help keep the contracting community informed.