



# ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature  
Second Regular Session

House: WM DP 6-4-0-0

## **HB 2380: TPT; municipalities; audits; guidelines**

**Sponsor: Representative Carter, LD 15**

**House Engrossed**

### **Overview**

Allows the Department of Revenue (DOR) to deny a city or town's request to audit a taxpayer that is engaged in business in more than one city or town and prevents that city or town from auditing the taxpayer. Requires the Unified Audit Committee to establish and publish audit guidelines.

### **History**

Current law requires an intergovernmental contract or agreement between DOR and each city or town to be entered into for the collection and administration of transaction privilege tax and affiliated excise taxes, including use tax, severance tax, jet fuel excise and use tax and rental occupancy tax imposed by any city or town. ([A.R.S. § 42-6001](#))

The DOR director is currently required to establish a unified audit committee with cities and towns to coordinate uniform audit functions. ([A.R.S. § 42-6005](#))

### **Provisions**

1. Allows DOR to deny a city or town's request to conduct an audit on a taxpayer that is engaged in business in more than one city or town. (Sec. 1)
2. Requires the intergovernmental agreement or contract to include criteria for which DOR can deny a city or towns request to conduct an audit. (Sec. 1)
3. Prevents a city or town from conducting an audit on a taxpayer that is engaged in business in more than one city or town if the DOR denies the request. (Sec. 1)
4. Requires the unified audit committee to establish and publish uniform audit guidelines. (Sec. 2)
5. Makes technical changes. (Sec. 1, 2)

Prop 105 (45 votes)     Prop 108 (40 votes)     Emergency (40 votes)     Fiscal Note