



Norman S Wright Co.
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Norman S Wright Co. Manufacturers Representative

Dear Norman S Wright Customers,

17 Dec 2014

Starting 1 January 2015, the AZ Department of Revenue has a major change to the Transaction Privilege Tax law for those of us in the contracting, repair, maintenance, and service businesses. As our customer, you perform work that falls under all these categories. With this letter we are hoping to limit any complications or delays.

Starting 1 Jan 2015, we will be charging 8.3% sales tax for all products we sell unless you inform us the purchase is tax exempt. One scenario for a tax exempt purchase would be you are working for a Prime Contractor on a new construction project. If you are working for a Prime contractor on a new construction project that qualifies as tax exempt, you will need to provide a project-specific "Arizona Form 5009L" filled out by the prime contractor and approved by the Department of Revenue with your purchase order to us. (blank sample attached)

If we have an ongoing project with you and will be supplying material after 1 Jan 2015, we will need the approved Form 5009L or the invoice will include tax.

The other tax exempt purchase will be to use your Arizona Form 5000 when purchasing material to be incorporated into a construction project. Any previous blanket AZ Form 5000 Transaction Privilege Tax Exemption Certificate we have on file from you will be obsolete. Starting 1 Jan 2015 please provide an updated AZ Form 5000 if your purchases will be tax exempt. If you hold a TPT license, you can continue to use the non-project specific Form 5000 to purchase material for use into construction projects from NSW. At the time of purchase, please let us know the purchase will be non-taxable.

We recognize the tax burden will be transferred to you and will do our best to answer any questions you may have. For reference please refer to <http://www.azdor.gov/>, search for the TPT Simplification, and scroll down to (TPN 14-1). The TPN 14-1 contains "Frequently Asked Questions" that you may find helpful.

As always we are here to help and to assist you with these changes. We appreciate your business.

Dianne Langmade
President
Norman S Wright Co

Attach:
Blank AZ Form 5009L



**Arizona Form
5009L**

Arizona Department of Revenue

Contractor's Certificate

This certificate shall serve as the exemption certificate prescribed under A.R.S. § 42-5009(L), and is to be used by subcontractors who do not hold a transaction privilege tax license as a prime contractor. A completed and approved copy of this certificate must be provided to vendors in order to qualify for purchasing materials exempt from tax. If materials purchased under this certificate are subsequently used in the performance of a nontaxable contract, the contractor that provided the certificate to the vendor and subsequently used the materials in a nontaxable contract is liable in an amount equal to any retail transaction privilege tax, penalty and interest that the vendor would have been required to pay if the vendor had not accepted this certificate.

If any information that the Department of Revenue has relied upon was inaccurate or material information was omitted when this certificate was used, the exemption certificate may be void. Any exemption claimed using an unauthorized certificate shall be subject to recapture and the contractor shall make a payment to the Department in an amount equal to the transaction privilege and use taxes that would have been due, along with any applicable penalties and interest at the rate of the location of the retailer.

This certificate may be used only with respect to purchasing materials that will be incorporated into the project referenced below, the gross receipts of which are subject to tax under A.R.S. § 42-5075.

The asterisked (*) items must be completed; otherwise the certificate is not valid.

A. Prime Contractor			
*Name		*Transaction Privilege License Number	
*Address		*AZ Registrar of Contractors' License Number	
*City	State	ZIP Code	*Telephone Number
*Date Project will Begin		*Estimated Completion Date	

B. *Subcontractor Name	*Registrar of Contractors' License #

C. *Project Description (For example; Building Permit Number, Address, Subdivision, Book/Map/Parcel Numbers, and/or Legal Description)

Contractor's Certificate Instructions

PURPOSE

This certificate shall serve as the exemption certificate prescribed under A.R.S. § 42-5009(L), and is to be used by subcontractors who do not hold a transaction privilege tax license as a prime contractor. A completed and approved copy of this certificate must be provided to vendors in order to qualify for purchasing materials exempt from tax. If materials purchased under this certificate are subsequently used in the performance of a nontaxable contract, the contractor that provided the certificate to the vendor and subsequently used the materials in a nontaxable contract is liable in an amount equal to any retail transaction privilege tax, penalty and interest that the vendor would have been required to pay if the vendor had not accepted this certificate.

GENERAL INSTRUCTIONS

In order to ensure the effectiveness of the Certificate, all required fields must be completed.

Section A: Prime Contractor

The "Name", "Address", "Transaction Privilege License Number", "Date Project will Begin" and "Estimated Completion Date" fields of the Prime Contractor section must be completed. The prime contractor is the entity responsible for the tax.

Section B: Subcontractor Name

The "Name" and "Registrar of Contractors' License Number" fields of the Subcontractor section must be complete. If the subcontractor does not have an Arizona Registrar of Contractors' license, please insert "N/A".

Section C: Project Description

The project description must be sufficient to identify the location of the single project, or the request for the Certificate will be deemed incomplete by the Department of Revenue.

Failure to complete these fields as specified may result in the Department of Revenue declining to approve and issue the certificate.

If any information which the Department of Revenue has relied upon was inaccurate or material information was omitted when the certificate was used, the exemption certificate may be void. Any exemption claimed using an unauthorized certificate shall be subject to recapture and the contractor shall make a payment to the Department in an amount equal to the transaction privilege and use taxes that would have been due, along with any applicable penalties and interest at the rate of the location of the retailer.

The completed certificate should be submitted to the following address for approval:

ATTN: Form 5009L Request
Tax Research & Analysis Section
Arizona Department of Revenue
1600 W. Monroe St. – Division Code 3
Phoenix, AZ 85007-2650