

Town of Dewey-Humboldt
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Dewey-Humboldt, AZ 86329
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Use Tax Information

This publication provides general information about the Town of Dewey-Humboldt Use Tax.

How Do I Pay Use Tax?

The Arizona Department of Revenue administers the Town of Dewey-Humboldt Privilege and Use Tax Code. As a result, the Dewey-Humboldt Use Tax is reported on your Arizona Transaction Privilege, Use and Severance Tax Return, Form TPT-1. The Dewey-Humboldt Use Tax is reported on the line listed as “Dewey-Humboldt”, Tax Code “DH 029”, at 2.0 %. The Arizona/Yavapai County Use Tax rate is 5.60 %, resulting in a combined Use Tax rate of 7.60%. The Arizona Dept. of Revenue is responsible for issuing licenses and processing all privilege and use tax returns on behalf of the Town of Dewey-Humboldt.

Who Pays Use Tax?

Most businesses understand their transaction privilege tax obligations. However, many businesses overlook or do not recognize their Use Tax obligations. Use Taxes were instituted by the state of Arizona and select cities and towns to protect local businesses from unfair competition from businesses located in other states, cities, and towns, or unincorporated areas. Without the Use Tax, these businesses would have a 5.6% to 7.6% price advantage over local businesses

1. Any person who uses, stores or consumes any tangible personal property, on which a sales tax has not been collected, shall pay the Use Tax.
2. An out-of-state retailer or utility business making sales of tangible personal property to Arizona purchasers must register with the Arizona Department of Revenue for the collection of the Use Tax.

Casual sales between individuals are not subject to the Use Tax. Property purchased by a nonresident individual whose first actual use or consumption of the property occurred outside the Town of Dewey-Humboldt or state is not subject to the Use Tax if the property is not used in conducting a business.

An Arizona purchaser is liable for Use Tax on goods purchased from an out-of-state vendor that did not collect the Use Tax. Arizona purchasers are also liable for Use Tax if they purchase goods using an exemption or resale certificate, and the goods are

subsequently used, stored or consumed in Arizona contrary to the purpose stated on the certificate.

The Use Tax also applies to purchases on which another state's sales or other excise tax was imposed if the rate of that tax is less than the Arizona/Dewey-Humboldt combined Use Tax rate of 7.60 %.

If you purchase a vehicle from an out-of-state dealer or manufacturer, the Department of Transportation will, at the time of vehicle registration, require proof that a sales tax was paid in the state of purchase and is equal to or greater than the Arizona/Yavapai County Use Tax rate of 5.60 %. If the sales tax was not paid in the state of purchase or was less than the Arizona Use Tax of 5.60%, the Department of Transportation will require that the Use Tax be paid at the time you register the vehicle. Separately, the Arizona Dept. of Revenue will bill Dewey-Humboldt residents for any Dewey-Humboldt Use Tax due within 90 days of the registration of the vehicle in Arizona.

Distinction Between the Transaction Privilege (Sales) Tax and Use Tax

The transaction privilege (sales) tax is imposed upon income or proceeds derived from engaging in a taxable business within the Town & State. The Use Tax is imposed upon the purchaser of tangible personal property that is used, stored, or consumed in Dewey-Humboldt and/or Arizona when the sale was not subject to the transaction privilege tax. Out-of-state retailers or utility businesses that sell to Arizona customers are required to collect the Arizona Use Tax and remit it to the Arizona Department of Revenue.

For additional information, please contact Deni Thompson, Dewey-Humboldt Town Accountant, at 928-632-7362 or by email at DeniThompson@dhaz.gov.