

Common Errors on Gila River Indian Community (GRIC)

Transaction Privilege Tax (TPT) Returns

TPT Tax Return - page 1

- Ensure that your business name and tribal license is accurate.
- Please also be sure to complete the business phone, email, and reporting period: Month and Tax Year (Note: TPT's are reported on a monthly basis, see §13.704 Monthly Payment and Returns).
- If you do not have a business license, please contact the business license and tax ordinance office at 520-562-9662/9670 or email at GRICBusinessLicense@gric.nsn.us ;see §13.205 Transacting Business without License.
- Please complete all columns for Gross, Deductions, Taxable and Tax amounts, as appropriate, even if they are zeros, do not round to whole dollars.
- Please complete the Grand Total, Total Liability and Net Amount Due as indicated on the form.

TPT Tax Return - page 2

- If you took Deductions on Page 1 – **you must enter them individually on the appropriate lines on page 2.** Failure to complete or include Page 2 when the return is submitted will delay the processing of your return and you may incur Penalties for *failure to file* (13.708.A) because a complete return was not filed timely.
- All deductions must be taken before you calculate the deduction listed in §13.320B (75% deduction for TPT paid to the State of Arizona).
- Be sure you list the 75% on the correct line – there is specific deduction for Contractors and one for all other activity; see §13.314.

Special Instruction for Contractors:

- Tax Collected or Factored is NOT an allowable deduction.
- The correct order for deductions is:

Non-Taxable items – subcontracting (13.11.B.1), allowed Machinery & Equipment or Transmission lines, Residential contracts (13.311.B.2).

Standard 35% Deduction in lieu of labor expenses.

75% Deduction for taxes paid to the State of Arizona – This deduction is ONLY available when the contract takes place at Blackwater, Lone Butte & San Tan Industrial Parks, Memorial Airfield, Gila River Development properties, Sun Valley Marina Corporation AND where the contract is between the contractor and a tenant.

It may be possible that you may have a contract that is located in an area which is subject to both GRIC and the State and you are NOT entitled to the 75% deduction. If you are unsure of where your project is located please contact GRIC Tribal Projects, Land Use Planning or Tribal Employment Rights offices for clarification.

Special Instructions for Taxpayers who have a tax liability to both GRIC and the Arizona Department of Revenue

- If you have a liability to remit taxes for both GRIC and ADOR there are two types of transactions that you need to be able to report:
 - a) Sales to Enrolled GRIC members
 - b) Sales to non-Enrolled GRIC members (general public)
- Sales to enrolled members are taxable only by GRIC at a rate of 6%. Premium Outlet vendors report Enrolled Member sales on the Retail (Enrolled Member) line of the TPT return (This form can be found at www.gilariver.org, Opportunities - Bus License/Tax Returns)
- Sales to the general public are reported on the Retail (Non-Enrolled Member) line. A deduction of 75% (General deduction on page 2) is allowed with the remaining 25% taxed at 6%. This calculation effectively reduces the GRIC TPT to 1.5%.

Special Instructions for Taxpayers who have transactions with GRIC and its agencies.

- Transactions with GRIC, its Casinos, Hotels, agencies and other wholly owned businesses are not taxable by either the State or Gila River. Even though no taxes are due, you do have to report the income, listing it as a deduction of Page 2.

If you have any questions about any of this or anything not covered above please call or email:
Revenue Internal Audit Department at 520-562-9564/9551 or email at GRICBusinessLicense@gric.nsn.us