
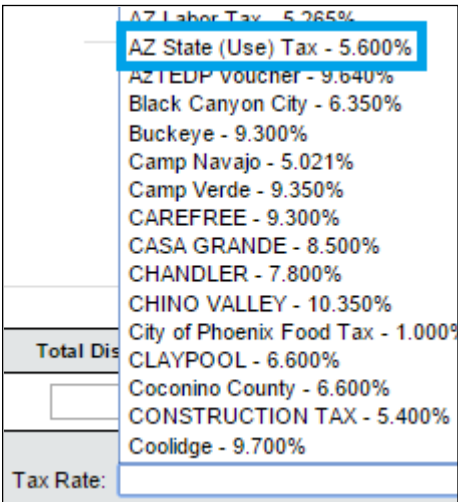


Hot Sheet



Topic	AZ State (Use) Tax and the Special Vendor Tax (SVT)
Document Types Involved	Bid <input type="checkbox"/> Requisition <input checked="" type="checkbox"/> PO <input checked="" type="checkbox"/> Receipt <input type="checkbox"/> Invoice <input checked="" type="checkbox"/> Credit Memo <input type="checkbox"/> Report <input type="checkbox"/> Vendor <input type="checkbox"/> User Profile <input type="checkbox"/> Agency Setup <input type="checkbox"/> Other <input type="checkbox"/>
Reason for Publication	With the advent of new AFIS, AZ State (Use) Tax is specially categorized in order to streamline agency payments to the Arizona Department of Revenue (ADOR). When purchasing items in ProcureAZ, it is critical that you only select the AZ State (Use) Tax – 5.600% option when it is a Use Tax payment that needs to be remitted to ADOR.
Steps Resulting in Scenario	Vendor charges the state 5.600% tax on an order or on items on an order <ul style="list-style-type: none"> The requisitioner selects the AZ State (Use) Tax 5.600% because it matches the rate on the vendor’s quote <p> The amount equal to 5.600% of the item or total sale is remitted to ADOR instead of the vendor, causing a shortage in the State’s payment to the vendor.</p>
Recommended Strategy	When a vendor charges the State 5.600% for tax, use the Special Vendor Tax in the tax drop down list. <ul style="list-style-type: none"> The Special Vendor Tax – 5.600% (SVT) is remitted to the vendor, not ADOR The Special Vendor Tax has also been added to AFIS.
Screenshots	1) The AZ State (Use) Tax should only be used when the tax needs to be remitted to ADOR :  2) The Special Vendor Tax (SVT) should be used when the tax needs to be remitted to the vendor : 