

WHAT IS AN EVENT: | An event may be a trade show, swap meet, craft show, specialty show, fair, parade, sporting event, circus, carnival, festival, religious revival or other church event, political rally, vehicle show and display, or similar recognized activity.

ARE EVENT ACTIVITIES TAXABLE: | Transaction privilege tax is divided into different classifications or activities. The most common classifications of taxable transactions for vendors at events include the following: retail sales, restaurant/bar, and amusements.

RETAIL SALES: | Retail activity is the sale of tangible personal property to the final consumer or user. Most business activity falls under this category.

PHOTOGRAPHY: | The sale of photographs and all charges made by a photographer resulting in the sale of said photograph (sitting fee, developing, enlargements, retouching, etc.) for services that occur prior to the transfer of tangible personal property are taxable.

ARTWORK: | The sales of “art creations”, including, but not limited to, jewelry, macramé, glasswork, pottery, woodwork, metalwork, and furniture, are all subject to tax. The sales of paintings, sculptures or similar works of fine art are taxable, even if sold by the original artist.

AMUSEMENTS: | Any business charging admission for viewing, exhibition, rides, games or any other form of amusement/entertainment would be subject to tax under this category. Promoters of concerts and events are also subject to tax under this category.

RESTAURANTS AND BARS: | Sales of food or beverages prepared or served for consumption on or off the premises, including the activity of catering, are taxable under the Restaurant and Bar Tax Classification.

LAKE HAVASU CITY TAX RATE: | The tax rate shall be at an amount equal to two percent (2%) of gross income. An additional one percent (1%) tax is imposed on the Restaurant and Bar classification.

When filing your Arizona State Transaction Privilege Tax (TPT) you will use the following descriptions and codes:

State/County – MOH

Lake Havasu City – LH

Business Description	Region Code	Business Class	Percentage %
Retail Sales	MOH	017	5.85%
Retail Sales	LH	017	2.00%
Total			7.85%

Business Description	Region Code	Business Class	Percentage %
Amusement	MOH	012	5.85%
Amusement	LH	012	2.00%
Total			7.85%

Business Description	Region Code	Business Class	Percentage %
Restaurant & Bar	MOH	011	5.85%
Restaurant & Bar	LH	011	2.00%
Restaurant & Bar (Add'l)	LH	111	1.00%
Total			8.85%

This publication is for general information only about Transaction Privilege Tax (TPT) on income from “Retail Sales” activities. This is an informal and nonbinding communication.

For complete details, refer to Lake Havasu City Code for Privilege and Excise Taxes. In case of inconsistency or omission in this publication, the language of the Tax Code will prevail. The transaction privilege tax is commonly referred to as a sales tax; however, the tax is on the privilege of doing business in Lake Havasu City and is not a true sales tax.

Lake Havasu City Code in its entirety can be found at:

http://www.azlegals.com/codes/client/lake-havasus-city_az/