

JOB PRINTING

YOU OWE TAX ON JOB PRINTING IF:

You are engaged in the business of job printing, embossing, copying, micrograph and photo reproduction in the city.

Transactions between related companies or persons are taxable by the City of Mesa. See Mesa City Code Section 5-10-100 for the definition of a "Person", Section 5-10-210 "Determination of gross income: transactions between affiliated companies or persons", and Section 5-10-220 "Determination of gross income: artificially contrived transactions".

TAX RATE ON JOB PRINTING

The City of Mesa tax rate is 1.75% of the taxable income from the business of job printing.

COLLECTION OF TAX

You may choose to charge the tax separately on each sale or include sales tax in your price. If you over charge any tax to your customers, you must remit the excess tax to the city.

If you include tax in your price, you can use factoring to calculate the tax included in your gross sales.

For example, if you make a sale for \$100, tax included, and the tax is 8.05% (the combined City, State, and County tax rate), your tax calculation is:

Price excluding sales tax	= \$100/1.0805 =	\$92.55
Mesa City Tax	= \$92.55 x .0175 =	\$ 1.62
State & County Tax	= \$92.55 x .063 =	\$ 5.83
Total City, State & County Tax		\$ 7.45

EXEMPTION: GENERAL PROVISIONS

Except as provided under the city code, all job printing income is subject to tax. Exclusions from taxable income are based upon the specific deductions provided by the code. Since you have the burden of documenting any exemption or deductions you claim, it is recommended that you get an exemption certificate from your purchaser to support the deduction or exclusion. In cases in which a certificate is provided which satisfies the code requirements, the certificate is sufficient in most cases to relieve the printer from liability of taxes arising from the sale. Exemption certificates are available from the City upon request.

SPECIFIC EXEMPTIONS

- Resale Sales - Printing for another printer is exempt from tax when materials are resold by the printer.
- Out-of-State Sales - Printing for a non-resident of the state provided the printer ships or delivers the printed materials to the out-of state location of the customer.
- Job printing of newspapers, magazines and other periodicals for a customer who is engaged in business as a publisher is exempt provided the publisher is properly licensed.
- Job printing for qualifying hospital or health care organization.
- Sales of printed materials to publicly funded libraries.

EXEMPTIONS AVAILABLE FOR ITEMS YOU PURCHASE

Purchases of paper and ink and other items which are "resold" by the printer are exempt from tax when purchased from suppliers. Income producing capital equipment such as presses and copiers etc. are also exempt from tax when purchased. In addition, chemicals which come into direct contact with the product for the purpose of causing or permitting a physical change to occur as part of the manufacturing process are also exempt from tax when purchased.

This publication is for general information only about Transaction Privilege (Sales) Tax on job printing activities. For complete details, refer to the City of Mesa Privilege & Excise Tax Code and related regulations. 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 Mesa and is not a true sales tax.

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