

## **EVENTS SPONSORED BY NON-PROFIT ORGANIZATIONS**

These guidelines apply to non-profit groups sponsoring shows, fairs, conventions, celebrations and promotions which involve vendor participation and which last fifteen (15) days or less.

### **REQUIREMENTS**

1. The sponsoring non-profit group must obtain a "Non-profit permit" from the City of Prescott Tax & Licensing Division at 201 S Cortez Street. Proof of non-profit status must be provided. There is no fee for this permit.
2. The non-profit group is responsible for collecting a non-refundable \$25.00 fee per space from each participating vendor that is not exempt as listed below. If the show lasts longer than three (3) days, there is an additional non-refundable fee of \$25.00 per day, per vendor. All fees must be collected on or before the first day of the show.

Participating vendors include those temporarily engaging in the business of fabricating, displaying or selling goods or hand-crafted objects, curios and textiles, and who occupy a space, stall, booth or other temporary structure in conjunction with the non-profit sponsored show.

3. The non-profit group must submit the fees collected, along with a list of all vendors, to the City Tax & Licensing Division within ten (10) days of the close of the show.

### **EXEMPTIONS**

1. You are not required to collect fees from vendors selling **their own original** paintings, sculptures or similar works of fine art. Vendors selling "art creations", however, must pay the fee. "Art Creations" are defined as having a dual purpose, both aesthetic and utilitarian, such as jewelry, glasswork, pottery, woodwork, metalwork, furniture and clothing.
2. You are not required to collect fees from vendors who are supplying information only and are not making sales.
3. You are not required to collect fees from vendors who are non-profit organizations.
4. You are not required to collect fees from vendors who have a valid Prescott Transaction Privilege (sales) Tax license. A copy of their license must be displayed in the booth during the event and their Prescott privilege tax number must be listed on your participant schedule.

required when a non-profit group is sponsoring its first show in Prescott, or if a non-profit group has previously been delinquent in remitting fees.

### **COLLECTION OF TAX**

Vendors paying the \$25 fee are not required to remit the 2% City privilege tax. Vendors holding a Prescott privilege tax license however, **are** required to remit the 2% City privilege tax on their sales.



**City of Prescott  
Finance Department  
Tax & Licensing Division  
P O Box 2077  
Prescott, AZ 86302**

For more information or to obtain a copy of the tax code, please contact:

928 777-1268 Taxpayer Assistance Rep  
928 777-1210 Privilege Tax Auditor  
928 777-1231 Tax & Licensing Supervisor

### **DEPOSITS**

The Tax & Licensing Division may require the non-profit sponsor to pay a deposit prior to the show in an amount equal to \$25.00 for each available space in the show. Typically, a deposit might be

# PRESCOTT PRIVILEGE TAX

## **NON-PROFIT SPONSORED EVENTS**



This publication is for general information regarding Transaction Privilege (Sales) Tax on events sponsored by non-profit organizations. For complete details, refer to the City of Prescott Privilege & Use Tax Code and related regulations. In the case of an 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, under the State of Arizona law, the tax is on the privilege of doing business in Prescott and is not a true sales tax.

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