

PEDDLERS & SOLICITORS

WHAT IS A PEDDLER?

You are a peddler if you go uninvited from house to house, place to place, or street to street to sell goods, wares or merchandise you are carrying with you.

HOW IS A SOLICITOR DIFFERENT FROM A PEDDLER?

As a solicitor, you might go uninvited from house to house, place to place, or street to street just as a peddler does. The difference is that you will be taking orders of merchandise for future delivery or orders for services to be performed in the future.

DO I NEED ANY SPECIAL LICENSES TO ACT AS A PEDDLER OR SOLICITOR IN PRESCOTT?

Yes, you will need to obtain the following:

1. In most cases, a State of AZ Transaction Privilege Tax License
2. A City of Prescott Peddler/Solicitor License.

You can apply for the peddler/solicitor license at the City Tax & Licensing Department. Applying for the Transaction Privilege tax license is done through the Arizona Department of Revenue at www.aztaxes.gov.

Additionally, each individual must submit two (2) 2"x2" pictures of themselves and a copy of their driver's license or other acceptable proof of identity.

WHAT DOES IT COST TO APPLY FOR A LICENSE?

Transaction Privilege Tax License ~ \$5.00 Peddlers and solicitors must obtain a tax license through Arizona Department of Revenue and report all sales completed on the combined tax form. The combined tax rate is 9.30% (2.95% city tax, 6.50% state/county tax).

Peddler/Solicitor License ~ \$50.00 Peddlers, and solicitors are required to obtain this annual license.

Identification Card Fee ~ \$10.00 each. All individuals receiving a Peddler/Solicitor license must obtain an identification card.

If you authorize other individuals to operate under your Peddler/Solicitor license, each of these individuals will have to obtain a \$10.00 identification card also. (Note: you must obtain approval from the Chief of Police to have more than twenty employees, agents or independent dealers working in Prescott at one time).

Cash Bond ~ \$200.00 plus an additional \$100.00 for each individual. The Peddler/Solicitor ordinance also requires you to post a \$200.00 cash bond, plus a \$100.00 bond for each employee, agent, or independent dealer you authorize. The maximum bond that will be required is \$1,000. This bond will be returned to you when the following conditions have been met:

- 1) All licenses and identification cards have been returned to the Finance Department within sixty (60) days of their expiration date.
- 2) You have paid all of the applicable privilege tax for your business.

- 3) You have not violated any provisions of the City code.

HOW LONG DOES IT TAKE TO GET A LICENSE?

If the Chief of Police determines that no fingerprint check is necessary, the license will be issued within seventy-two hours. If a fingerprint check is deemed necessary, the license will be approved or disapproved within fourteen days.

ARE THERE ANY EXEMPTIONS FROM THESE LICENSING REQUIREMENTS?

You will not be required to obtain a Peddler/Solicitor license if:

- 1) You sell only at wholesale to dealers in the articles you are selling.
- 2) You are a newspaper carrier.
- 3) You are a vendor during a "Special Event".
- 4) You are a permanent business delivering goods in the regular course of your business.
- 5) You are conducting a bona-fide auction sale pursuant to a Court Order.
- 6) You have had prior contact with the owners or occupants of a private residence and have been invited to that residence for the purpose of making sales, soliciting orders or delivering goods.

WHAT RULES MUST I FOLLOW AS A PEDDLER/SOLICITOR?

- 1) You cannot make exclusive use of any location on any street, alley, sidewalk or right-of-way; that is, if you are making sales on any street, alley, etc., you must be constantly moving.
- 2) You cannot operate in a congested area where your operation may impede or inconvenience the public use of any street, sidewalk or right-of-way. This restriction includes operating on private property, (in an alcove, for example) where your customers will "spill out" into the public right-of-way and cause congestion.
- 3) You cannot display any signs on the exterior of any structure.
- 4) You cannot occupy any structure for the purpose of selling or delivering goods, wares or merchandise unless the structure conforms with the City Zoning Code. Your approved location must be listed on your license. You may be cited for operating anywhere other than your approved location.
- 5) You cannot make loud noises or use speaking devices to attract attention to your merchandise.

DOES MY LICENSE HAVE TO BE DISPLAYED?

Yes. Your identification card must be visible at all times.

To view a complete copy of the tax code, please go to: <http://www.prescott-az.gov>



City Clerk's Office
201 N Montezuma St
Prescott, AZ 86301
Phone: (928) 777-1437
Email: city.clerk@prescott-az.gov

PRESCOTT PRIVILEGE TAX

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This publication is for general information regarding the Peddler/Solicitor ordinance and the associated licenses required. 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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