

# TANNING & MASSAGE SALONS

Licensing and Tax Information: (623) 333-2001 | [salestax@avondale.org](mailto:salestax@avondale.org)

*Avondale*<sup>AZ</sup>



**YOU OWE TAX ON RETAIL SALES IF:** | You are in the business of selling items to someone who plans to use the items and not rent or resell them.

The seller owes the sales tax to the City of Avondale whether or not the seller added sales tax to the price of the item sold. Taxable items include, but are not limited to, sun block, tanning bronzer, gels, sprays, clothing, and/or accessories.

See Avondale City Tax Code Section 13A-460.

The seller owes tax to the City of Avondale whether tax was added to the price or not. Taxable items include, but are not limited to, shampoos, conditioners, gels, sprays, brushes, combs, extensions, files, polishes and/or accessories. See Avondale Tax Code Section 13A-460.

**YOU OWE TAX ON BED/BOOTH FEES IF:** | You rent, lease or license for use any real property located within the City of Avondale for a consideration.

Tanning salon bed fees/ packages are taxable as licensing for use. The City of Avondale definition of "Licensing for use" is "Any agreement between the user ("licensee") and the owner or the owner's agent ("licensor") for the use of the licensor's property whereby the licensor receives consideration, where such agreement does not qualify as a "sale" or "lease" or "rental" agreement."

**TAX RATE** | The City of Avondale tax rate is 2.5% of the taxable income.

Income is any value received either as funds or bartered services or merchandise.

**COLLECTION OF TAX** | You may choose to charge the tax separately on each sale or include transaction privilege (sales) tax in your price.

If you over charge any tax to your customers, you must remit the excess tax to the City of Avondale.

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

**YOU OWE TAX IF:** | No taxes were paid at the time of original purchase on any items taken from inventory for use in the regular course of business.

This includes complimentary items provided to patrons. See Avondale Tax Code Section 13A-610.

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

*For complete details, refer to the City of Avondale 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 Avondale and is not a true sales tax.*



**LICENSING OFFICE:**

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