



State of Arizona Accounting Manual

Topic 00 General Information

Issued 09/18/17

Section 35 Communication with Taxing Authorities

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INTRODUCTION

The State of Arizona Government is a complex organization, composed of more than one hundred distinct and semi-independent units spread over three branches, but for most purposes remains a single organization when communicating with various taxing authorities. Failure to recognize the State of Arizona Government as a single entity when communicating with taxing authorities leads to confusion, incorrect routing of critical correspondence from taxing authorities, rejection of properly executed and filed official documents, misapplication of payments, possible penalties and interest charges, offsets to grant proceeds, and time wasted in unnecessary correspondence and corrections.

The purpose of this section of SAAM is to advise agencies of the manner in which communication with taxing authorities is to be conducted.

POLICY & PROCEDURES

1. Except as provided herein, the official address of the State of Arizona Government for all correspondence from or to a taxing authority or in any way involving tax reporting is:

**State of Arizona
100 N. 15th Ave., Suite 302
Phoenix, AZ 85007**

2. Exceptions to the directives in this section of SAAM are limited to correspondence:
 - 2.1. Originating with the Arizona Department of Revenue (DOR) or the Department of Economic Security and not directed to a State University, Arizona State Government, a State Agency, or an employee of a State Agency.
 - 2.2. Between a taxing authority to any of the State Universities.
 - 2.3. Between a taxing authority and a State agency granted an exception in writing by the State Comptroller.
3. Unless otherwise excepted, any correspondence originating with or involving tax compliance matters that may be received by an agency are to be immediately forwarded to the address shown above.

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4. Without first obtaining written permission from the State Comptroller, in the form of an exception to policy as outlined in SAAM 0015, an agency may not:
 - 4.1. Apply for a tax identification number with any taxing authority.
 - 4.2. Submit to a taxing authority:
 - 4.2.1. A request for a change of address.
 - 4.2.2. A request to change responsible official or representative.
 - 4.3. File a report with or generate any financial statement for any taxing authority.
 - 4.4. Respond to any correspondence from a taxing authority.
 - 4.5. Write a letter for or on behalf of an employee that is to be forwarded to any taxing authority.
5. Agencies that have received written permission of the State Comptroller to directly communicate with a taxing authority shall:
 - 5.1. Limit written communication and correspondence with the taxing authority to those matters for which permission has been granted.
 - 5.2. Except for the DOR, make available to the State Comptroller, within five (5) business days of communicating or corresponding with the taxing authority in writing, a copy of any report, form or other correspondence or communication, received from or provided to the taxing authority involving a significant issue. Significant issues include, but might not be limited to:
 - 5.2.1. Any claim or demand made against the State for one hundred thousand dollars (\$100,000) or more.
 - 5.2.2. Any notice that an agency is being audited or investigated by any taxing authority.
6. Questions regarding tax statements generated by the GAO—such as Forms W-2 and 1099-MISC—should be referred to the GAO for resolution.
7. Any agency considering making a request of the Internal Revenue Service for a Tax Identification Number (TIN) should coordinate its effort with the GAO by contacting the agency liaison before making the request.
8. The following agencies are hereby granted the written permission to communicate and correspond with the named taxing authorities for the purposes specified below:
 - 8.1. Arizona Department of Transportation | Internal Revenue Service | Forms 8849.

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- 8.2. School Facilities Board | Internal Revenue Service | Forms 8038.
- 8.3. Arizona Department of Revenue | Internal Revenue Service | any matters or forms involving taxation, including the collection of tax and the exchange of tax related information.
- 8.4. Arizona State Retirement System and Public Safety Personnel Retirement System | Internal Revenue Service | Forms 1099-R.
- 8.5. Arizona Department of Economic Security | Internal Revenue Service | Forms 1099-G.
- 8.6. Arizona State Lottery | Internal Revenue Service | Forms 1099-MISC.
- 8.7. Arizona Finance Authority | Internal Revenue Service | Forms 8038.
- 8.8. Arizona State University, Northern Arizona University and University of Arizona | Internal Revenue Service | Any forms or reports or reports dealing with employment taxes.
- 8.9. Arizona Power Authority | Internal Revenue Service | Any forms or reports or reports dealing with employment taxes (however, any claim or demand made against the State for one hundred thousand dollars (\$100,000) or more must be reported to the State Comptroller).
- 8.10. Arizona Commerce Authority | Internal Revenue Service | Any forms or reports or reports dealing with employment taxes (however, any claim or demand made against the State for one hundred thousand dollars (\$100,000) or more must be reported to the State Comptroller).