



# State of Arizona Accounting Manual

Topic 00 General Information

Issued 07/01/19

Section 36 Secondary, Agency-specific

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## Taxpayer Identification Numbers (SATINs)

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### INTRODUCTION

As needed, the GAO may work with State agencies to secure from the Federal Government Secondary, Agency-specific Taxpayer Identification Numbers (SATINs). This is done for two purposes:

- To reduce confusion and aid compliance with State sales and use tax reporting and payment by agencies.
  - While the Government of the State of Arizona is a single legal entity with a single Taxpayer Identification Number (TIN) used for most purposes, it is, nonetheless, divided into more than one hundred agencies. These entities not infrequently report and remit Transaction Privilege Tax (TPT) and Use Tax to the Arizona Department of Revenue (DOR). Online reporting and remittance to DOR requires, for appropriate tracking and crediting of payments, a separate TIN for each paying entity, namely, each agency.
- To appropriately identify and contain Federal grant offsets.
  - The State of Arizona, as a single entity, is considered the prime recipient of all Federal grants. If the Federal Government discovers that it has made a payment for which it believes the State is in some way responsible, it will deduct the related amount from the next draw due any agency of the State under any grant agreement. So, for example, a Medicaid payment administered by the Arizona Health Care Cost Containment System that Federal Government alleges was incorrectly made might be deducted from a grant draw due to the Arizona Department of Transportation for road construction. This frequently happens with little warning and no explanation. It is facilitated by the fact that all agencies and all their grants use the State's primary TIN. Using a Secondary, Agency-specific TIN (SATIN) is likely to reduce one agency's draw being shorted because of an incident arising from a different agency.

This section of SAAM establishes the policies and procedures related to the acquisition and use of secondary SATINs.

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### **POLICY & PROCEDURES**

1. Certain agencies have been / may be assigned a Secondary, Agency-specific Taxpayer Identification Number (SATIN) specifically for the following purpose or purposes:
  - 1.1. Reporting and remitting Transaction Privilege Tax (TPT) and Use Tax to the Arizona Department of Revenue (DOR).
  - 1.2. Establishing Federal grant agreements and communicating with the grantors and cognizant Federal agencies about grants.
  - 1.2.1. While this policy is prospective in application, agencies to which it applies are to work with the GAO in re-identifying pre-existing grant arrangements.
  - 1.3. The SATIN is to be used only for such purposes; it is not to be used for any other tax filings or other communication with the DOR or any agency of the Federal Government.
  - 1.4. Once assigned to an agency, the SATIN must be used for the purposes discussed above.
2. Only the State Comptroller and/or his designees may:
  - 2.1. Apply for a SATIN on behalf of a State Agency.
  - 2.2. Perform actions with respect to any SATIN that requires a power of attorney.
  - 2.3. Act as principal, central contact for any inquiries involving a SATIN.
  - 2.4. Communicate any changes to the Federal Government regarding the SATIN. Such changes include, but are not limited to, changes of address.
3. Agencies may not themselves apply for a SATIN.
4. For those situations in which an agency requires a SATIN, but has not yet been assigned one, it must request that the GAO apply for one. The request is to be emailed to [afis.operations@azdoa.gov](mailto:afis.operations@azdoa.gov).
5. Certain State agencies have previously been issued, and may continue to use, a TIN for specific reporting purposes. These agencies are:
  - 5.1. The State Universities.
  - 5.2. The Arizona State Lottery.
  - 5.3. The Arizona Game and Fish Department.

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6. For most purposes, the State of Arizona's TIN is **86-6004791**.