

TANNING AND MASSAGE SALONS

YOU OWE TAX ON RETAIL SALES IF:

You sell tangible personal property items to someone who plans to use the items and not resell them. The seller owes tax to the City of Mesa whether tax was added to the price or not. Taxable items include, but are not limited to, sun block, tanning bronzer, gels, sprays, clothing, and/or accessories.

See Mesa City Code Section 5-10-460.

YOU OWE TAX ON BED/BOOTH FEES IF:

You rent, lease or license for use any tangible personal property located within the City of Mesa for a consideration. Tanning salon bed fees/packages are taxable as licensing for use. The City of Mesa 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."

See Mesa City Code Section 5-10-450.

YOU OWE USE 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 Mesa City Code Section 5-10-610.

YOU OWE RENTAL TAX IF:

You rent, lease or license for use any real property located within the City of Mesa for a consideration. This includes charging/receiving rent, commission and/or a percentage of money earned from independent massage therapists in lieu of booth/room space. This does not apply to employees on your payroll whom you are paying workman's comp, FICA, etc. When a property is subleased, the taxable landlord is the one directly leasing to the tenant in actual possession of the property.

See Mesa City Code Section 5-10-445.

TAX RATE

The tax rate is 2.0% of the gross 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 transaction or include the tax in your price. If you over charge any tax to your customers, you must remit the excess tax to the City of Mesa. If your price includes tax, you can compute (factor) tax from the total taxable price and then deduct the total city, state and county taxes from your gross receipts.

This publication regarding Tanning and Massage Salons is for general information only. This is an informal and nonbinding communication. For complete details, refer to the City of Mesa Privilege & Excise Tax Code and related regulations. In case of inconsistency or omission in the publication, the language of the Tax Code will prevail.

**FOR TPT LICENSING
INFORMATION CONTACT:**
Arizona Department of Revenue
<https://www.aztaxes.gov>
602.255.3381

**FOR MESA TAX
INFORMATION CONTACT:**
480.644.3816
salestax.info@mesaaz.gov



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