Government Property Lease Excise Tax (GPLET)
Overview and Instructions for the DOR 82620 Return Form

Note: Statutory citations referenced are available on-line at www.azleg.gov or in most public libraries.

A.R.S. sections (§§) 42-6201 through 42-6210 govern the Government Property Lease Excise Tax (GPLET). They require Prime Lessees (tenants) of government property improvements to annually file a GPLET Return form with the County Treasurer of the county in which a government property that they are leasing is located, and to provide a copy of the Return to the Government Lessor.

The GPLET is based on the square footage of a building that is occupied or used by a lessee, including the number of parking spaces in a parking garage or deck occupied or used by the lessee, if applicable, or on the number of parking spaces in a parking garage or deck that is the sole subject of the lease. It is not a property tax based on the ad valorem value of an improvement.

The GPLET is due and payable to the County Treasurer of the county in which a subject property is located on or before December 1 of each calendar year. The GPLET Return form (DOR 82620) is available from the County Treasurer's office sixty days before the excise taxes are due and payable (i.e., October 1).

Definitions
See A.R.S. § 42-6201.

Government lessor:
A city, town, county or county stadium district.

Government Property Improvement:
A building for which a certificate of occupancy [or, a C of O] has been issued, for which the title of record is held by a government lessor, that is situated on land for which the title of record is held by a government lessor or a political subdivision of this state and that is available for use for any commercial, residential rental or industrial purpose, including but not limited to, office, retail, restaurant, service business, hotel, entertainment, recreational or parking uses.

Gross building space:
The total floor area of a building measured from the exterior of the walls, but not including unenclosed areas.

Prime Lessee:
Any person, partnership, corporation, company, limited liability company, joint venture or other organization or association that enters into a lease directly with a government lessor to develop or occupy for at least thirty consecutive days a government property improvement, regardless of whether the improvement is actually used by the prime lessee or by one or more sublessees.

Application of the GPLET
The GPLET will apply if:

- The improvement (a building or a parking structure) is owned by a city, town, county or county stadium district.
  - The GPLET also applies to each Prime Lessee of a lease with the National Park Service.
- The improvement is leased wholly or in part by a private-party lessee.
- The leased space is used for commercial or warehouse / industrial purposes, including office, retail, restaurant, service business, hotel/motel, entertainment, residential-rental, recreational or parking uses.
- The lease term is at least thirty days.
- The age of the leased improvement is less than fifty years for properties subject to the provisions of A.R.S. § 42-6203(A).
- The abatement provisions of the statutes are not applicable.
- The exemption provisions of the statutes are not applicable.

Exempt GPLET Improvements
See A.R.S. § 42-6208

The GPLET does not apply to:

1. Property used for a governmental activity.
2. Property used for public housing.
3. Easements and rights-of-way of railroads, gas, electric, water, pipeline and telephone utilities.
4. Interests in all or any part of a facility that is owned of record by a government lessor and used primarily for athletic, recreational, entertainment, artistic, cultural or convention activities if the interest is used for those activities or activities directly related and incidental to those uses including concession stands.
5. Property that is used for or in connection with aviation, including hangars, tie-downs, aircraft maintenance, sale of aviation related items, charter and rental activities, commercial aircraft terminal franchises, rental car operations, parking facilities and restaurants, stores and other services that are located in a terminal.

6. The use by a commercial airline of the runways and terminal facilities of state, city, town or county airports and public airports operating pursuant to A.R.S. §§ 28-8423, 28-8424 and 28-8425.

7. Leases of property or interests in a transportation facility that is constructed or operated pursuant to A.R.S. Title 28, Chapter 22.

8. Interests in lands held in trust by this state pursuant to A.R.S. Title 37, Chapter 2, Article 1.

9. Interests in property held in trust for an Indian or an Indian tribe by the U. S. government.

10. Interests in property that is defined as “contractor-acquired property” or “government furnished property” in federal acquisition regulations, 48 Code of Federal Regulations section 45.101, and that is owned by the government and used to perform a government contract.

11. Property of a corporation that is organized by or at the direction of a county, city or town to develop construct, improve, repair, replace or own any property, improvement, building or other facility to be used for public purposes that the county, city, or town pledges to lease or lease-purchase with county or municipal special or general revenues.

12. Interests in property used by a chamber of commerce recognized under section 501(c)(6) of the United States internal revenue code if the property is used predominately for those federal tax exempt purposes.

13. Interests in property used by organizations that are exempt from taxation under section 501(c)(3) of the internal revenue code.

14. Interests in parking garages or decks if they are owned and operated by a government lessor, or are operated on behalf of a government lessor or by an entity other than the prime lessee, pursuant to a management agreement with the government lessor.

15. Residential-rentals if the prime lessee is the occupant.

Abatement Provisions
See A.R.S. § 42-6209

A city or town may abate the GPLET beginning when a Certificate of Occupancy (C of O) is issued and ending eight years after the C of O was issued on a government property improvement that meets the following requirements:

- The government improvement is located in a single "central business district" in the city or town and is subject to a lease or development agreement entered into on or after April 1, 1985.
- A city or town shall not designate more than one "central business district" within its corporate boundaries.
- A city or town shall not approve or enter into a development agreement or lease for a government property improvement within one year after the designation of the "central business district" in which the improvement is located.
- "Central business district" means a single and contiguous geographical area designated by resolution of the governing body of the city or town and meeting the following requirements:
  - The central business district is located entirely within a slum or blighted area that is established pursuant to A.R.S. Title 36, Chapter 12, Article 3.
  - The central business district is geographically compact and no larger than the greater of five percent of the total land area within the exterior boundaries of the city or town or six hundred forty acres.
  - The government property improvement resulted in or will result in an increase in property value of at least one hundred percent.
Park Property Lease Excise Tax
See A.R.S. § 42-6210

The GPLET also applies to each Prime Lessee of a lease with the National Park Service. The tax applies with the following provisions:

- The county in which the property is located levies and collects the annual excise tax on each Prime Lessee of a lease with the National Park Service of the United States Department of the Interior.

- The tax is assessed, collected and distributed in the same manner as prescribed for the Government Property Lease Excise Tax except that:
  - The statutory provisions dealing with development agreements under A.R.S. § 42-6206 do not apply to a lease with the National Park Service.
  - The tax rate will not be less than twenty percent of the prescribed tax rate under A.R.S. § 42-6203 Subsections A or B.

The DOR 82620 Return Form Instructions

Return forms (DOR 82620) are available from, and are to be filed with, the County Treasurer of the county in which a leased government property improvement is located. A copy of the Return form is also to be filed with the Government Lessor.

County Treasurer contact information:

<table>
<thead>
<tr>
<th>County</th>
<th>Address</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apache County</td>
<td>Apache County Treasurer P.O. Box 699</td>
<td>(928) 337-7629</td>
</tr>
<tr>
<td></td>
<td>St. Johns, AZ 85936</td>
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<tr>
<td>Cochise County</td>
<td>Cochise County Treasurer P.O. Box 1778</td>
<td>(520) 432-8400</td>
</tr>
<tr>
<td></td>
<td>Bisbee, AZ 85603</td>
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<tr>
<td>Coconino County</td>
<td>Coconino County Treasurer 110 East Cherry Ave</td>
<td>(928) 679-8188</td>
</tr>
<tr>
<td></td>
<td>Flagstaff, AZ 86001</td>
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<tr>
<td>Gila County</td>
<td>Gila County Treasurer 1400 E. Ash Street</td>
<td>(928) 402-8702</td>
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<tr>
<td></td>
<td>Globe, AZ 85501</td>
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<tr>
<td>Graham County</td>
<td>Graham County Treasurer 921 Thatcher Blvd.</td>
<td>(928) 428-3440</td>
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<td>Safford, AZ 85546</td>
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<tr>
<td>Greenlee County</td>
<td>Greenlee County Treasurer P.O. Box 1227</td>
<td>(928) 865-3422</td>
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<td>Clifton, AZ 85533</td>
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<tr>
<td>La Paz County</td>
<td>La Paz County Treasurer 1112 Joshua Avenue</td>
<td>(928) 669-6145</td>
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<tr>
<td></td>
<td>Suite 203</td>
<td></td>
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<tr>
<td>Maricopa County</td>
<td>Maricopa County Treasurer 301 West Jefferson</td>
<td>(602) 506-8511</td>
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<tr>
<td></td>
<td>Suite 100</td>
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<tr>
<td>Mohave County</td>
<td>Mohave County Treasurer PO Box 712</td>
<td>(928) 753-0737</td>
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<td>Kingman, AZ 86402-0712</td>
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<tr>
<td>Navajo County</td>
<td>Navajo County Treasurer P.O. Box 668</td>
<td>(928) 524-4172</td>
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<td>Holbrook, AZ 86025</td>
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<tr>
<td>Pima County</td>
<td>Pima County Treasurer 115 North Church Avenue</td>
<td>(520) 724-8341</td>
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<td>Tucson, AZ 85701</td>
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<tr>
<td>Pinal County</td>
<td>Pinal County Treasurer P.O. Box 729</td>
<td>(520) 509-3555</td>
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<td>Florence, AZ 85132-0729</td>
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<tr>
<td>Santa Cruz County</td>
<td>Santa Cruz County Treasurer 2150 North Congress</td>
<td>(520) 375-7980</td>
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<td>Drive Nogales, AZ 85621</td>
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<tr>
<td>Yavapai County</td>
<td>Yavapai County Treasurer 1015 Fair Street</td>
<td>(928) 771-3233</td>
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<td>Prescott, AZ 86305</td>
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<tr>
<td>Yuma County</td>
<td>Yuma County Treasurer 410 Maiden Lane, Suite C</td>
<td>(928) 539-7781</td>
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<td></td>
<td>Yuma, AZ 85364</td>
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It may be necessary for the Prime Lessee (tenant) to contact the Government Lessor in order to:

- Determine if the government property improvement is:
  - Located inside or outside of a "redevelopment area."
  - Located in a "slum" or "blighted" area.
  - Located in a "central business district."
- Determine the date of issuance of the original Certificate of Occupancy (C of O) for the government property improvement.
- Determine or verify any other information required to calculate the tax amount due.

**Lessor / Lessee Information**

A Prime Lessee must complete all of the information requested in the DOR 82620 GPLET Return form.

- Enter the Government Lessor's information in **Item 1**.
- Enter the Prime Lessee's information in **Item 2**. Also, enter the Contact Person's information for the Prime Lessee (if different from the information for the Prime Lessee).
- Enter the property's name (if applicable), address information and parcel number (if known) in **Item 3**.
- Enter the date of the original Certificate of Occupancy (C of O) in **Item 4**.
- Enter the lease's origination and termination dates in **Item 5**.
- Indicate in **Item 6** whether or not the lease has been amended since the last return was filed. If it has been amended, submit a copy of the amended lease with the Return form, or provide the specific details of the amendments in a separate statement.

**Improvement Information**

The GPLET is predicated on the predominate use of a government property improvement by a Prime Lessee. Predominate use is defined by A.R.S. § 42-6203(F) as being "eighty-five percent or more" of the "functional area" of an improvement. If no predominate use can be identified, each use occurring on a property is to be taxed utilizing the excise tax rate applicable to each use occurring on that property. In all cases, parking spaces located in a parking garage or deck are taxed utilizing the applicable per-parking-space excise tax rate.

If there is an identifiable predominate use of the improvement, enter the Column number for the appropriate category of property use (Columns 5 - 12 of the Rate Charts), the "gross building space" or the total square footage leased, and (if applicable) the number of parking spaces included in the lease in **Item 7(a)** of the Return form. If the improvement consists of a Parking Garage or Deck only, enter the total number of parking spaces in **Item 7(b)** of the Return form.

If there is not an identifiable predominate use by the Prime Lessee, indicate the individual uses of the improvement by entering the Column number for the appropriate category for each use of the improvement, and the square footage devoted to each of the uses, and (if applicable) the total number of parking spaces included in the lease, in **Item 8** of the Return form. If additional space is needed, attach a separate page to the Return form.

Indicate in **Item 9** of the Return form whether or not this is an initial-year Return being filed for the property (i.e., if 2014 is the first year for which a Return form will be filed in regard to the leased government property improvement).

Pursuant to A.R.S. § 42-6204(B)(3), a "certified statement" of "gross building space" (or, of total building square footage) and the number of parking spaces subject to the lease, if applicable, or the number of spaces in a separate Parking Garage or Deck, that has been produced by a person who is "professionally credentialed" in Arizona as an architect, general contractor, surveyor or appraiser may be submitted with an initial-year Return form. If a "certified statement" has been produced, provide a copy of that document to the County Treasurer as an attachment to the initial-year Return form.

Continue at “Certification,” on page 5, below.
Certification

If a Prime Lessee claims that their use of a government property improvement is exempt from the excise tax, indicate in Item 10 of the Return form which paragraph from A.R.S. § 42-6208 is applicable (see the Exempt GPLET Improvements Section, above, for these paragraphs, numbered 1 - 15).

Indicate in Item 11 of the Return form whether or not the Prime Lessee is claiming that an abatement of the excise tax currently applies. If claiming that an abatement now applies, note the dates on which the abatement was approved and terminates.

Sign the Return form where indicated, certifying, under penalty of perjury, that the "gross building space," or the total square footage of the improvement, and the total number of parking spaces utilized under the lease (or the number of parking spaces in a separate Parking Garage or Deck) as stated in Item 7 or 8 of the Return form, have not changed from the previous year's reported figures. If applicable, the Prime Lessee's signature also certifies, under penalty of perjury, that all elements necessary to qualify for an excise tax abatement are satisfied for the calendar year / Tax Year covered by the Return.

Next, if the Prime Lessee's use of the government property improvement is not exempted from the GPLET, or if the GPLET is not currently abated, the Prime Lessee must determine which of the two GPLET Worksheets (A or B) to utilize to calculate the excise tax.

Excise Tax Calculation

For government property improvements with leases that were entered into before June 1, 2010, or, for a development agreement, ordinance or resolution approved by the governing body of a government lessor before June 1, 2010 that authorized a lease which was entered into within ten years after the date of the agreement, ordinance or resolution, refer to Worksheet A (and Tax Rate Chart A on pages 4 and 5). See also § 42-6203(A).

Note that, in this instance, Worksheet B and its Tax Rate Chart will not be applicable.

For government property improvements with leases that were entered into on or after June 1, 2010, or, if a lease does not meet the conditions of 42-6203(A), refer to Worksheet B (and Tax Rate Chart B on pages 6 and 7). See also § 42-6203(B).

Note that, in this instance, Worksheet A and its Tax Rate Chart will not be applicable.

Worksheet A - Section 1

For those properties that are subject to the tax rates in Tax Rate Chart A and that have a predominate use, as indicated in Item 7(a) of the Return form, complete the following steps in Worksheet A, Section 1:

Step 1: In Column 1, Rows 1 through 8 of Rate Chart A, determine the correct property location category, and in Column 2 verify that the start date of the lease conforms to the date(s) shown for that category. Enter the Row Number in Item 1 of Worksheet A, Section 1.

Step 2: In Column 3, determine the appropriate age range of the improvement, which is based on the date of issuance of the original Certificate of Occupancy (C of O). The improvement age ranges determine the percentage adjustment factors for the applicable excise tax rate. Enter the age range in Item 2 of Worksheet A, Section 1.

Step 3: From Columns 5 through 12, determine the appropriate property use category. The intersecting point of the age range in the appropriate location Row and the property use Column indicates the correct excise tax rate to utilize in calculating the excise tax amount for the improvement. Enter that tax rate in Item 4 of Worksheet A, Section 1.

Step 4: If parking spaces are applicable, also enter the tax rate for the age range from Column 13 in Item 5 of Worksheet A, Section 1.

Step 5: Multiply the square footage (from Item 7(a) of the Return form) by the tax rate determined in Step 3 above. Enter the product (i.e., result) in Item 6 of Worksheet A, Section 1.

Step 6: If applicable, multiply the number of parking spaces subject to the lease (also from Item 7(a) of the Return form) by the tax rate in Step 4 above and enter the product in Item 7 of Worksheet A, Section 1.

Step 7: Add the amounts entered in Items 6 and 7 and enter the sum in Item 8 of Worksheet A, Section 1. This is the total excise tax.
Step 8: If the improvement consists only of a parking garage or deck, multiply the number of parking spaces (from Item 7(b) of the Return form) by the tax rate from Step 4 above, and enter the product in Item 9 of Worksheet A, Section 1. This is the total excise tax for a Parking Garage or Deck only.

If applicable, calculate the excise tax proration (see the tax Proration note and calculation formula following Worksheet A, Section 1).

In Item 12 of the Return form, enter the tax amount and indicate "Worksheet A."

The Return form and any attachments, if applicable, must be filed with the local County Treasurer on or before December 1. Payments are delinquent if not paid by that date. Also, submit a copy of everything filed with the County Treasurer to the Government Lessor. The Prime Lessee should retain a copy of everything submitted for their records, as well.

Worksheet A - Section 2

For those properties that are subject to the tax rates in Tax Rate Chart A and that do not have a predominate use (see page 4), complete the following steps in Worksheet A, Section 2:

Step 1: In Column 1, Rows 1 through 8 of Tax Rate Chart A, determine the correct property location category, and in Column 2 verify that the date of the lease conforms to the date(s) shown for that category. Enter the Row Number in Item 1 of Worksheet A, Section 2.

Step 2: In Column 3, determine the appropriate age range of the improvement, which is based on the date of issuance of the original Certificate of Occupancy (C of O). The improvement’s age range determines the percentage adjustment factor for the applicable excise tax rate for each use. Enter the age range in Item 2 of Worksheet A, Section 2.

Step 3: From Columns 5 through 12, determine the appropriate property use categories. The intersecting points of the age range for the appropriate location Row and property use Columns indicate the correct excise tax rates to utilize in calculating the excise tax amount for each use of the improvement. Enter those tax rates in Item 4 of Worksheet A, Section 2.

Step 4: If parking spaces are applicable, enter the tax rate of the age range for the location Row from Column 13 in Item 5 of Worksheet A, Section 2.

Step 5: For each use listed in the Return form, multiply the square footage (from Item 8 of the Return form) by the tax rates determined in Step 3 above. Enter the products (i.e., results) in Item 6 of Worksheet A, Section 2.

Step 6: If applicable, multiply the number of parking spaces (also from Item 8 of the Return form) by the tax rate in Step 4 above and enter the product in Item 7 of Worksheet A, Section 2.

Step 7: Add the amounts entered in Items 6 and 7 and enter the sum in Item 8 of Worksheet A, Section 2. This is the total excise tax.

If applicable, calculate the excise tax proration (see the tax Proration note and calculation formula following Worksheet A, Section 2).

In Item 12 of the Return form, enter the tax amount and indicate Worksheet A.

The Return form and any attachments, if applicable, must be filed with the local County Treasurer on or before December 1. Payments are delinquent if not paid by that date. Also, submit a copy of everything filed with the County Treasurer to the Government Lessor. The Prime Lessee should retain a copy of everything submitted for their records, as well.

ONLY for those properties subject to the rates of Tax Rate Chart B:

Property Tax Ratio Calculation

In the initial (i.e., the first) year of a lease only, a “base” excise tax rate reduction may be applicable. To determine if a reduction for an initial year Return filing applies, the Prime Lessee must first obtain (1) the primary and secondary property tax rates that are applicable to the area in which the government property improvement is located, and (2) the county-wide average property tax rate.

The primary and secondary property tax rates for the government property improvement must be obtained from the County Treasurer of the county in which the property is located.
County-wide average property tax rates for the current calendar year / tax year for each Arizona county are available at the bottom of Page 7 of the set of GPLET Workheets and Rate Charts. Use the average tax rate for the county in which the government property improvement is located.

The primary and secondary property tax rates for the government property improvement are to be combined (i.e., added together). The total (or combined) property tax rate for the subject property is utilized as the numerator, and the county-wide average property tax rate for the county in which the property is located is the denominator, in the calculation that derives a property tax percentage (ratio) for the government property improvement.

Again, only in an initial-year filing, and only if the percentage (ratio) calculated is less than ninety percent of the county-wide average property tax rate for the county in which the property is located, is a specified “base” excise tax rate to be reduced by ten percent. If an age range adjustment is applicable (see Column 4, Worksheet B), a ‘property tax ratio reduced’ rate is to be reduced by an additional ten percent. In either instance, the reduced “base” tax rate is utilized to calculate the excise tax.

In subsequent year Return filings, only an age range “base rate” adjustment may be applicable.

Both initial-year ‘property tax ratio reduced’ rates and age range reduced rates are shown in Tax Rate Chart B.

If the property tax percentage (ratio) calculated is not less than ninety percent of the county-wide average property tax rate for the county in which the property is located, the applicable “base” excise tax rate, or the age range adjusted “base” excise tax rate, as specified under § 42-6203(B), is to be utilized to calculate the excise tax.

Refer to the property tax ratio calculation formula in paragraph A of Worksheet B.

Once it has been determined whether or not the property tax ratio adjustment (i.e., a reduction) is to be applied to the property’s excise tax “base” rate, complete the following steps:

### Worksheet B – Section 1

For those properties that are subject to the excise tax rates in Tax Rate Chart B and that have a predominate use (see page 4) as indicated in Item 7(a) of the Return form, complete the following steps in Worksheet B, Section 1:

**Step 1:** In Column 1, Rows 1 through 8 of Rate Chart B, determine the correct property location category, and in Column 2 verify that the start date of the lease conforms to the date(s) shown for that category. Enter the Row Number in Item 1 of Worksheet B, Section 1.

**Step 2:** In Column 3, if applicable, determine the appropriate age range of the improvement, which is based on the date of issuance of the original Certificate of Occupancy (C of O). Note that only three of the Tax Rate Chart B location categories (i.e., Rows) have any age range adjustments. If applicable, the age range determines the percentage adjustment factor for the excise tax “base” rate. Enter the age range in Item 2 of Worksheet B, Section 1.

**Step 3:** From Columns 5 through 12, determine the appropriate property use category. The excise tax rate in the appropriate location Row intersecting the property use Column indicates the correct excise tax rate to utilize in calculating the excise tax amount.

As described above, only in the initial year of a lease, and only if the property tax ratio calculated for the government property is less than ninety percent of the county-wide average property tax rate for the county in which the property is located, is a specified “base” excise tax rate to be reduced by ten percent. If an age range adjustment is also applicable, a ‘property tax ratio reduced’ rate is to be reduced by an additional ten percent. In either instance, the reduced “base” tax rate is utilized to calculate the excise tax. Enter the calculated tax rate in Item 3 of Worksheet B, Section 1.

**Step 4:** If parking spaces are applicable, also enter the tax rate for the age range from Column 13 of Tax Rate Chart B in Item 4 of Worksheet B, Section 1.

**Step 5:** Multiply the square footage (from Item 7(a) of the Return form) by the tax rate determined in Step 3 above, and enter the product in Item 5 of Worksheet B, Section 1.
Step 6: If applicable, multiply the number of parking spaces (also from Item 7(a) of the Return form) by the tax rate in Item 4 above, and enter the product in Item 6 of Worksheet B, Section 1.

Step 7: Add the amounts entered in Items 5 and 6 and enter the sum in Item 7 of Worksheet B, Section 1. This is the total excise tax.

Step 8: If the improvement consists only of a parking garage or deck, multiply the number of parking spaces (from Item 7(b) of the Return form) by the tax rate from Item 4 above and enter the product in Item 8 of Worksheet B, Section 1. This is the total excise tax for a Parking Garage or Deck only.

If applicable, calculate the tax proration (see the tax Proration note and calculation formula following Worksheet B, Section 1).

In Item 12 of the Return form, enter the tax amount and indicate "Worksheet B."

The Return form and any attachments, if applicable, must be filed with the local County Treasurer on or before December 1. Payments are delinquent if not paid by that date. Also, submit a copy of everything filed with the County Treasurer to the Government Lessor. The Prime Lessee should retain a copy of everything submitted for their records, as well.

Worksheet B - Section 2

For those properties that are subject to the excise tax rates in Tax Rate Chart B and that do not have a predominate use, complete the following steps in Worksheet B, Section 2:

Step 1: In Column 1, Rows 1 through 8 of Tax Rate Chart B, determine the correct property location category, and in Column 2 verify that the start date of the lease conforms to the date(s) shown for that category. Enter the Row Number in Item 1 of Worksheet B, Section 2.

Step 2: In Column 3, if applicable, determine the appropriate age range of the improvement, which is based on the date of issuance of the original Certificate of Occupancy (C of O). Note that only three of the Tax Rate Chart B categories have any age range adjustments. If applicable, the age range determines the percentage adjustment factors for the excise tax "base" rates. Enter the age range in Item 2 of Worksheet B, Section 2.

Step 3: From Columns 5 through 12, determine the appropriate property use categories. The excise tax rates in the appropriate location Row intersecting the appropriate property use Columns indicate the correct excise tax rates to utilize in calculating the excise tax amounts.

As described above, only in the initial year of a lease, and only if the property tax ratio calculated for the government property is less than ninety percent of the county-wide average property tax rate for the county in which the property is located, are the specified 'base' excise tax rates to be reduced by ten percent. If an age range adjustment is also applicable, the 'property tax ratio reduced' rates are to be reduced by an additional ten percent. In either instance, the reduced "base" tax rates are utilized to calculate the excise tax. Enter those excise tax rates in Item 3 of Worksheet B, Section 2.

Step 4: If parking spaces are applicable, also enter the tax rate for the Age Range from Column 13 of Tax Rate Chart B in Item 4 of Worksheet B, Section 2.

Step 5: Multiply the square footages for each use listed (from Item 8 of the Return form) by the tax rates determined in Step 3 above. Enter the products in Item 5 of Worksheet B, Section 2.

Step 6: If applicable, multiply the number of parking spaces (from Item 8 of the Return form) by the tax rate in Item 4 above, and enter the product in Item 6 of Worksheet B, Section 2.

Step 7: Add the amounts entered in Items 5 and 6 and enter the sum in Item 7 of Worksheet B, Section 2. This is the total excise tax amount.

If applicable, calculate the tax proration (see the tax Proration note and calculation formula following Worksheet B, Section 2).

In Item 12 of the Return form, enter the tax amount and indicate "Worksheet B."

The Return form and any attachments, if applicable, must be filed with the local County Treasurer on or before December 1. Payments are delinquent if not paid by that date. Also, submit a copy of everything filed with the County Treasurer to the Government Lessor. The Prime Lessee should retain a copy of everything submitted for their records, as well.