



GENERAL RECORDS REQUIREMENTS LIST WITHHOLDING TAX EXAMINATION

The auditor will review all of the activities of your entity operating in Arizona. The following records must be assembled and available for each type of wage, salary, bonus or other emolument payments made:

1. Payroll registers and summaries for each type of wage, salary, bonus or other compensation payments made and the federal and state withholding amounts summarized by pay period, by quarter, and by year, for all pay dates occurring in the audit period.
2. Copies of the *Arizona Withholding Reconciliation Return*, form A1-R, for each year in the audit period.
3. Copies of *Federal Transmittal of Wage and Tax Statements*, form W-3, for each year in the audit period. Also, copies of all W2s and a schedule of all W-2s issued for each year in the audit period. This schedule can be in Microsoft Excel format, in PDF format, or in the same electronic format accepted by the Social Security Administration.
4. Copies of *Arizona Quarterly Withholding Tax Return*, form A1-QRT, for each quarter in the audit period.
5. Records indicating payroll for resident and non-resident employees.
6. Copies of Employer's Quarterly Federal Tax Return, form 941, for each quarter in the audit period.

After initial examination of this documentation, the auditor may request additional information, or might arrange a visit to your offices to examine additional information. This information might include: Copies of Arizona Unemployment Tax and Wage Report, form UC-018; Copies of W2s and 1099s issued for the years in the audit period; cash disbursements journals for the audit period; chart of accounts; general ledger and subsidiary ledgers (general journal, cash disbursements journal, employee expenses and reimbursements journal, and payroll journal); financial statements relating to payroll; employment contracts, service contracts, or other related contracts; copies of W-4 and A-4 forms, on which employees have indicated the percentage used to withhold federal tax and Arizona tax from their wages during the audit period; copies of Federal Corporate or Partnership Income Tax returns for each year in the audit period; copies of Employer's Annual Federal Unemployment (FUTA) Tax Return, form 940, for each year in the audit period.

Please provide the requested information within 15 days of the date of the accompanying letter, and in electronic format where possible. You may e-mail these records to the auditor indicated on the cover letter.

Arizona Department of Revenue
Withholding Tax Audit
1600 W. Monroe, Division Code 9
Phoenix, AZ 85007