



**AHCCCS CONTRACTOR QUARTERLY PREMIUM TAX INSTRUCTIONS**  
**TAX REPORT FORMS INVENTORY AND INSTRUCTIONS**

FORM NAME	FORM DESCRIPTION	DUE DATES
E-ACH.INSTRUCTION	ACH Delivery Format and Content Instructions	N/A
E-QTR	AHCCCS Contractor Quarterly Premium Tax Report	MARCH 15
		JUNE 15
		SEPTEMBER 15
		DECEMBER 15
E-QTR.ADJUSTMENT	AHCCCS Contractor Prior Quarter Adjustment Report	See item 7 below

**WHO MUST FILE:** Each AHCCCS Contractor is required to file quarterly tax reports and pay estimated premium tax pursuant to A.R.S. §§ 36-2905 and 36-2944.01 on or before the Due Dates shown above.

**DUE DATE:** Quarterly Premium Tax Reports **AND** the payment of tax are due on or before the Due Dates listed above. When the Due Date falls on Saturday, Sunday or a State-observed holiday, it is extended to the next business day.

**PAYMENT OPTIONS – CHECK OR ACH DELIVERY:** A payment by check must be mailed, or an ACH payment must post to the Department’s ACH account, on or before the Due Date. See Form E-ACH.INSTRUCTION for details on the ACH payment option.

**POSTMARK POLICY:** This Department accepts U.S. Postal Service postmark as evidence of filing. POSTAGE METER STAMPS DO NOT APPLY.

**OVERNIGHT COURIER OR HAND-DELIVERY:** Filings received by overnight courier must include an airbill or receipt bearing the date that the item was picked up by the courier from the originating sender. Hand-deliveries must be received before 5:00 P.M. on the Due Date.

**COMPLETION OF QUARTERLY PREMIUM TAX REPORTS:** The following information must be provided in each Quarterly Premium Tax Report:

1. The complete legal name of the Contractor, its Federal I.D. Number and the Preparer’s name, title and contact information.
2. An “X” in the appropriate box to identify the Quarter for which the report is being filed.
3. **PLAN I.D. NUMBERS** assigned by AHCCCS for each Plan Type under which the Contractor provides services pursuant to a contract with AHCCCS.
4. **ESTIMATED AMOUNTS** of total capitation, including reinsurance and any other reimbursement paid to the Contractor by AHCCCS during the specified calendar quarter for each Plan Type. Since the tax is due prior to the close of the calendar quarter, the Contractor must reasonably estimate the total amounts for the quarter. To reasonably estimate the total amounts for the quarter, the Contractor should:
  - a. Determine the latest date by which it must prepare the tax report to assure timely filing and payment.
  - b. Account for all amounts actually paid by AHCCCS during the calendar quarter up to the date that the report is prepared.
  - c. Determine if recent enrollment activity will generate additional payments from AHCCCS prior to the close of the quarter.
5. The Premium Tax Amount Due based on the Estimated Amounts reported.
6. Computation and payment of Civil Penalty and Interest if tax is paid late. (See details below)
7. **FORM E-QTR.ADJUSTMENT** must be completed and attached to support a PRIOR QUARTER ADJUSTMENT entered on **Line 5** if a Contractor believes it underpaid its tax for the prior calendar quarter, based on the Estimated Amounts reported and the actual amounts paid to the Contractor by AHCCCS in that quarter. An Adjustment to pay additional tax equal to 10% or less of the total tax payment for the specified prior quarter will not incur penalty or interest. An Adjustment to reduce total capitation and tax for a prior quarter may subject a Contractor to penalty and interest if the total of all tax payments received for the calendar year is less than the amount of tax owed according to the data that AHCCCS provides to the Department after December 31, as described below.

**CIVIL PENALTY AND INTEREST FOR LATE TAX PAYMENT:** A Contractor should compute and pay Penalty\* and Interest\* when a tax amount is paid late, except for an Adjustment to pay additional tax of 10% or less for a prior quarter as described in 7 above. Each year before April 1<sup>st</sup>, this Department will reconcile the total tax paid by a Contractor to the total tax due for the preceding calendar year based upon data provided by AHCCCS. This Department will issue an assessment of additional tax and any applicable penalty and interest with a Notice of Right of Appeal to a Contractor that underpaid tax for the calendar year period. **This Department will issue a refund** to a Contractor that overpaid tax for the calendar year period.

\*Penalty is the greater of 5% of the tax amount paid late or \$25. Interest is 1% of the tax amount paid late per full or partial month.