

ORDINANCE NO. 1449

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF APACHE JUNCTION, ARIZONA, RELATING TO THE TAX CODE OF THE CITY OF APACHE JUNCTION; ADOPTING NEW TRANSACTION PRIVILEGE AND USE TAX LICENSE FEES, ANNUAL RENEWAL AND RENEWAL FEES AS SET FORTH IN THE MODEL CITY TAX CODE; DESIGNATING AN EFFECTIVE DATE; PROVIDING FOR PENALTIES; REPEALING ANY CONFLICTING PROVISIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR NOTICE.

WHEREAS, Arizona Revised Statutes § 9-240(B)(26) conveys upon the mayor and council the power to levy taxes including a transaction privilege tax and use tax; and

WHEREAS, the Model City Tax Code as set forth in state law provides for adoption of and changes to transaction privilege and use tax licenses, annual renewals and renewal fees for Arizona municipal governments; and

WHEREAS, in adopting the Tax Code for the City of Apache Junction in August 1987, the then mayor and council adopted a transaction privilege tax license fee which was subsequently amended in April 2007; and

WHEREAS, on April 17, 2017, the mayor and council discussed adopting a new transaction privilege tax license fee and renewal fee and gave direction to staff on May 2, 2017 to research and return with recommendations regarding these fees; and

WHEREAS, on July 17, 2017, the mayor and council were presented with staff recommendations and gave direction on July 18, 2017, to proceed with revising the applicable section of the Tax Code for the City of Apache Junction and based on the text of the Model City Tax Code for the city transaction privilege and use tax license fees, annual renewal and renewal fees; and

WHEREAS, the mayor and council further directed that staff comply with the requirements of state law in advertising these proposed fee changes and bring back the changes for further consideration and adoption at the September 19, 2017 meeting; and

WHEREAS, pursuant to Arizona Revised Statutes § 9-499.15 (B), the city provided sixty-day written notice of the proposed adoption of the revised city transaction privilege tax license fee and annual renewal fee on the city's website (www.ajcity.net) before the date of the public hearing when this ordinance is to be considered; and

WHEREAS, pursuant to Arizona Revised Statutes § 42-6054 (D), the city provided a minimum fifteen-day notice of this public hearing by publication in a newspaper of general circulation in the city on August 23, 2017.

NOW THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF APACHE JUNCTION, ARIZONA, AS FOLLOWS:

SECTION I IN GENERAL

That the Tax Code of the City of Apache Junction, Arizona is amended by revising Article III, Licensing and Recordkeeping, Section 8A-320 to read as follows:

Article III - Licensing and Recordkeeping

Sec. 8A-320. License fees; annual renewal; renewal fees

(a) The Transaction Privilege and Use Tax License shall be valid upon receipt of a non-refundable license fee of two dollars (\$2.00), except for a license to engage in the business activity of residential or commercial real property rental, leasing and licensing for use as separately identified in this Section. The Transaction Privilege and Use Tax License shall be valid only for the calendar year in which it is issued unless renewed each year by filing the appropriate application for license renewal and paying an annual license renewal fee of two dollars (\$2.00) for each license, subject to the limitations in A.R.S. § 42-5005. Such annual renewal fee shall be due and payable on January 1 of each year and shall be considered delinquent if not paid and received on or before the last business day of January.

(b) The Transaction Privilege and Use Tax License to engage in the business activity of residential real property rental, leasing and licensing for use shall be valid only

upon receipt of a non-refundable license fee of two dollars (\$2.00). The Transaction Privilege and Use Tax License shall be valid only for the calendar year in which it is issued unless renewed each year by filing the appropriate application for license renewal and paying an annual license renewal fee of two dollars (\$2.00) for each license, subject to the limitations in A.R.S. § 42-5005. Such fee shall be due and payable on January 1 of each year and shall be considered delinquent if not paid and received on or before the last business day of January.

SECTION II DESIGNATING AN EFFECTIVE DATE

The provisions of this ordinance shall become effective December 1, 2017.

SECTION III PROVIDING FOR PENALTIES

Any person found guilty of violating any provision of these amendments to the tax code shall be guilty of a class one misdemeanor and shall be prosecuted pursuant to Article 1-8 of the Apache Junction City Code, Chapter 1: GENERAL, Article 1-1 GENERAL, Section 1-1-11 PENALTY, and the Tax Code of the City of Apache Junction, ARTICLE V - ADMINISTRATION, Section 8A-580, Criminal Penalties.

SECTION IV REPEALING ANY CONFLICTING PROVISIONS:

All ordinances and parts of ordinances in conflict with the provisions of this ordinance or any part of the codes adopted herein by reference are hereby repealed.

SECTION V PROVIDING FOR SEVERABILITY:

If any section, subsection, sentence, phrase, clause or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION VI PROVIDING FOR NOTICE

Pursuant to A.R.S. §42-6053(E), staff shall provide a fully executed copy of this ordinance to the Municipal Tax Code

Commission and the Arizona Department of Revenue within ten calendar days after the passage date of this ordinance.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF APACHE JUNCTION, ARIZONA, THIS _____ DAY OF _____, 2017.

SIGNED AND ATTESTED TO THIS _____ DAY OF _____, 2017.

JEFF SERDY
Mayor

ATTEST:

KATHLEEN CONNELLY
City Clerk

APPROVED AS TO FORM:

RICHARD JOEL STERN
City Attorney