

House Engrossed Senate Bill

FILED

**KEN BENNETT
SECRETARY OF STATE**

State of Arizona
Senate
Fiftieth Legislature
First Regular Session
2011

CHAPTER 342

SENATE BILL 1226

AN ACT

RELATING TO CITY AND TOWN LEVY LIMIT OVERRIDE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. City or town levy limit override; election; delayed
3 repeal

4 A. Pursuant to article IX, section 19, subsection (5), Constitution of
5 Arizona, the governing body of a city or town with a population of at least
6 twenty-five thousand but not more than forty thousand persons may conduct an
7 election to authorize a property tax levy that is not within the limitations
8 on primary property taxation otherwise prescribed by section 42-17051,
9 Arizona Revised Statutes, in the following manner:

10 1. The governing body must adopt a resolution, by affirmative vote of
11 at least two-thirds of its membership, requesting the qualified electors of
12 the city or town to approve the tax levy.

13 2. The resolution must state:

14 (a) The number of years, at least two but not more than seven years,
15 in which the authority to levy taxes in excess of the limitations otherwise
16 prescribed will be in effect.

17 (b) The purpose for providing revenue to the city or town.

18 (c) The maximum dollar amount of secondary property taxes that may be
19 collected in each year during the time the levy will be in effect.

20 (d) The estimated secondary property tax rate that will be levied in
21 the first year if the levy is approved.

22 3. The governing body must submit the question to the qualified
23 electors at an election held on or before November 6, 2012.

24 B. If the levy is approved by the qualified electors, the maximum
25 amount of taxes that the city or town may levy for any year in which the levy
26 is in effect is the amount stated in the resolution requesting approval of
27 the levy. The city or town shall levy the tax in the same manner as city or
28 town secondary property taxes provided in title 42, chapter 17, article 4,
29 Arizona Revised Statutes.

30 C. The city or town may use monies it collects pursuant to this
31 section only for the purposes stated in the resolution requesting approval of
32 the levy. If an unexpended balance of the monies collected pursuant to this
33 section remains after satisfying the requirements of the resolution, the city
34 or town shall use the balance to reduce the levy in the following year. If
35 the balance exceeds the requirements for the following year, or if the
36 authority to collect taxes pursuant to this section expires and is not
37 renewed, the city or town shall use the balance to reduce the city or town
38 primary property tax in the following year.

39 D. The governing body shall deposit and separately account for the
40 revenues collected pursuant to this section in a special fund in the city or
41 town treasury.

- 1 E. The revenues collected pursuant to this section:
2 1. Shall not be included in the primary property tax levy limitation
3 prescribed by section 42-17051, Arizona Revised Statutes, for any year except
4 as provided by this section.
5 2. Shall be collected as a levy of secondary property taxes.
6 3. Are not subject to limitations on taxes prescribed by article IX,
7 section 18, Constitution of Arizona.
8 F. This section is repealed from and after December 31, 2012, but the
9 authority to levy secondary property taxes approved by the voters pursuant to
10 this section continues for the full term of years as approved by the voters.

APPROVED BY THE GOVERNOR APRIL 29, 2011.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 29, 2011.

Passed the House April 18, 2011,

Passed the Senate March 3, 2011,

by the following vote: 38 Ayes,

by the following vote: 19 Ayes,

20 Nays, 2 Not Voting

7 Nays, 4 Not Voting

[Signature]
Speaker of the House

[Signature]
President of the Senate

Cheryl Laube
Chief Clerk of the House

[Signature]
Secretary of the Senate

**EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR**

This Bill was received by the Governor this
_____ day of _____, 20____,
at _____ o'clock _____ M.

Secretary to the Governor

Approved this _____ day of
_____, 20____,
at _____ o'clock _____ M.

Governor of Arizona

S.B. 1226

**EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE**

This Bill was received by the Secretary of State
this _____ day of _____, 20____,
at _____ o'clock _____ M.

Secretary of State

SENATE CONCURS IN HOUSE
AMENDMENTS AND FINAL PASSAGE

Passed the Senate April 19, 20 11

by the following vote: 23 Ayes,

7 Nays, 0 Not Voting

[Signature]
President of the Senate

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

20 day of April, 20 11

at 12:00 o'clock P. M.

[Signature]
Secretary to the Governor

Approved this 29th day of

April

at 11:35 o'clock A. M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 29th day of April, 20 11

at 7:30 o'clock P. M.

[Signature]
Secretary of State