House Engrossed

FILED
MICHELE REAGAN
SECRETARY OF STATE

State of Arizona
House of Representatives
Fifty-second Legislature
First Regular Session
2015

CHAPTER 128

HOUSE BILL 2538

AN ACT

AMENDING SECTION 11-251.13, ARIZONA REVISED STATUTES; AMENDING TITLE 48, CHAPTER 1, ARTICLE 9, ARIZONA REVISED STATUTES, BY ADDING SECTION 48-254; RELATING TO CERTAIN SPECIAL TAXING DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Section 11-251.13, Arizona Revised Statutes, is amended to read:

11-251.13. Proposed county taxes and fees; notification required; exception

A. A board of supervisors may not levy or assess any new taxes or fees or increase existing taxes or fees pursuant to statute on a business without complying with this section.

B. A board that proposes to levy or assess a tax or fee shall:

1. If the imposition of the proposed tax or fee is a new charge, provide written notice of the proposed charge on the home page of the county's website at least sixty days before the date the proposed new tax or fee is approved or disapproved by the board.

2. If the board proposes to increase the rate of an existing tax or fee on a business, provide written notice of the proposed increase on the home page of the county's website at least sixty days before the date the proposed new rate is approved or disapproved by the board.

C. A board shall demonstrate that the taxes or fees are imposed pursuant to statute.

D. This section does not apply to any fee adopted pursuant to section 11-1102 or any tax adopted pursuant to section 42-17107 OR 48-254.

Sec. 2. Title 48, chapter 1, article 9, Arizona Revised Statutes, is amended by adding section 48-254, to read:

48-254. Truth in taxation notice and hearing; roll call vote on tax increase; definition

A. ON OR BEFORE FEBRUARY 10 OF THE TAX YEAR, THE COUNTY ASSESSOR SHALL TRANSMIT AND CERTIFY TO THE GOVERNING BODY OF EACH COUNTY FLOOD CONTROL DISTRICT, COUNTY FREE LIBRARY DISTRICT, COUNTY JAIL DISTRICT AND PUBLIC HEALTH SERVICES DISTRICT THE TOTAL NET ASSESSED VALUES THAT ARE REQUIRED TO COMPUTE THE LEVY PRESCRIBED BY SECTIONS 48-3620, 48-3903, 48-4023, 48-4023.01 AND 48-5805. IF THE PROPOSED SECONDARY PROPERTY TAX LEVY OF THE SPECIAL TAXING DISTRICT, EXCLUDING AMOUNTS ATTRIBUTABLE TO NEW CONSTRUCTION, IS GREATER THAN THE AMOUNT LEVIED BY THE SPECIAL TAXING DISTRICT IN THE PRECEDING TAX YEAR:

1. THE GOVERNING BODY SHALL PUBLISH A NOTICE THAT MEETS THE FOLLOWING REQUIREMENTS:

(a) THE NOTICE SHALL BE PUBLISHED TWICE IN A NEWSPAPER OF GENERAL CIRCULATION IN THE COUNTY. THE FIRST PUBLICATION SHALL BE AT LEAST FOURTEEN BUT NOT MORE THAN TWENTY DAYS BEFORE THE DATE OF THE HEARING. THE SECOND PUBLICATION SHALL BE AT LEAST SEVEN BUT NOT MORE THAN TEN DAYS BEFORE THE DATE OF THE HEARING.

(b) THE NOTICE SHALL BE PUBLISHED IN A LOCATION OTHER THAN THE CLASSIFIED OR LEGAL ADVERTISING SECTION OF THE NEWSPAPER IN WHICH IT IS PUBLISHED.

(c) THE NOTICE SHALL BE AT LEAST ONE-FOURTH PAGE IN SIZE AND SHALL BE SURROUNDED BY A SOLID BLACK BORDER AT LEAST ONE-EIGHTH INCH IN WIDTH.

(d) THE NOTICE SHALL BE IN THE FOLLOWING FORM, WITH THE "TRUTH IN TAXATION HEARING NOTICE OF TAX INCREASE" HEADLINE IN AT LEAST EIGHTEEN-POINT TYPE:

TRUTH IN TAXATION HEARING
NOTICE OF TAX INCREASE

IN COMPLIANCE WITH SECTION 48-254, ARIZONA REVISED STATUTES, _____ (NAME OF SPECIAL TAXING DISTRICT) IS NOTIFYING ITS PROPERTY TAXPAYERS OF _____'S (NAME OF SPECIAL TAXING DISTRICT) INTENTION TO RAISE ITS SECONDARY PROPERTY TAXES OVER LAST YEAR'S LEVEL. _____ (NAME OF SPECIAL TAXING DISTRICT) IS PROPOSING AN INCREASE IN SECONDARY PROPERTY TAXES OF $_____ OR _____%.

FOR EXAMPLE, THE PROPOSED TAX INCREASE WILL CAUSE _____'S (NAME OF SPECIAL TAXING DISTRICT) SECONDARY PROPERTY TAXES ON A $100,000 HOME TO INCREASE FROM $_____ (TOTAL TAXES THAT WOULD BE OWED WITHOUT THE PROPOSED TAX INCREASE) TO $_____ (TOTAL PROPOSED TAXES INCLUDING THE TAX INCREASE).

THIS PROPOSED INCREASE IS EXCLUSIVE OF INCREASED SECONDARY PROPERTY TAXES RECEIVED FROM NEW CONSTRUCTION. THE INCREASE IS ALSO EXCLUSIVE OF ANY CHANGES THAT MAY OCCUR FROM PROPERTY TAX LEVIES FOR VOTER-APPROVED BONDED INDEBTEDNESS.

ALL INTERESTED CITIZENS ARE INVITED TO ATTEND THE PUBLIC HEARING ON THE TAX INCREASE THAT IS SCHEDULED TO BE HELD _____ (DATE AND TIME) AT _____ (LOCATION).

2. INSTEAD OF PUBLISHING THE TRUTH IN TAXATION NOTICE, THE GOVERNING BODY MAY MAIL THE TRUTH IN TAXATION NOTICE PRESCRIBED BY PARAGRAPH 1, SUBDIVISION (d) OF THIS SUBSECTION TO ALL REGISTERED VOTERS IN THE SPECIAL TAXING DISTRICT AT LEAST TEN BUT NOT MORE THAN TWENTY DAYS BEFORE THE DATE OF THE HEARING ON THE ESTIMATES PURSUANT TO SECTION 42-17104.

3. IN ADDITION TO PUBLISHING THE TRUTH IN TAXATION NOTICE UNDER PARAGRAPH 1 OF THIS SUBSECTION OR MAILING THE NOTICE UNDER PARAGRAPH 2 OF THIS SUBSECTION, THE GOVERNING BODY SHALL ISSUE A PRESS RELEASE CONTAINING THE TRUTH IN TAXATION NOTICE.

4. THE GOVERNING BODY MAY ONLY CONSIDER A MOTION TO LEVY THE INCREASED PROPERTY TAXES BY ROLL CALL VOTE.

5. THE GOVERNING BODY SHALL HOLD THE TRUTH IN TAXATION HEARING CONCURRENTLY WITH THE ADOPTION OF THE COUNTY BUDGET UNDER SECTION 42-17105.

B. IF THE GOVERNING BODY FAILS TO COMPLY WITH THE REQUIREMENTS OF THIS SECTION, THE GOVERNING BODY MAY NOT FIX, LEVY OR ASSESS AN AMOUNT OF SECONDARY PROPERTY TAXES THAT EXCEEDS THE PRECEDING YEAR'S AMOUNT, EXCEPT FOR AMOUNTS ATTRIBUTABLE TO NEW CONSTRUCTION.

C. FOR THE PURPOSES OF THIS SECTION, "AMOUNTS ATTRIBUTABLE TO NEW CONSTRUCTION" MEANS THE NET ASSESSED VALUATION OF PROPERTY ADDED TO THE TAX ROLL SINCE THE PREVIOUS YEAR MULTIPLIED BY A PROPERTY TAX RATE COMPUTED BY DIVIDING THE SECONDARY PROPERTY TAX LEVY OF THE SPECIAL TAXING DISTRICT IN THE PRECEDING YEAR BY THE ESTIMATE OF THE TOTAL NET ASSESSED VALUATION OF THE SPECIAL TAXING DISTRICT FOR THE CURRENT YEAR, EXCLUDING THE NET ASSESSED VALUATION ATTRIBUTABLE TO NEW CONSTRUCTION.

Sec. 3. Effective date

This act is effective from and after December 31, 2015.

APPROVED BY THE GOVERNOR MARCH 30, 2015.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 31, 2015.

Passed the House February 24, 2015

by the following vote: 37 Ayes,

23 Nays, 0 Not Voting

Speaker of the House

Pro Tempore

Jim Drake

Chief Clerk of the House

Passed the Senate March 24, 2015

by the following vote: 16 Ayes,

12 Nays, 2 Not Voting

President of the Senate

Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

25th day of March, 2015

at 3:31 o'clock P. M.

Secretary to the Governor

Approved this 30th day of

March

at 1:58 o'clock P. M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 31st day of March, 2015

at 10:00 o'clock A M.

Michele Reagan

Secretary of State

H.B. 2538