

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

CHAPTER 233

Senate Engrossed House Bill
FILED
MICHELE REAGAN
SECRETARY OF STATE

HOUSE BILL 2108

AN ACT

AMENDING SECTION 42-12009, ARIZONA REVISED STATUTES; RELATING TO CLASS NINE
PROPERTY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 42-12009, Arizona Revised Statutes, is amended to
3 read:
4 42-12009. Class nine property
5 A. For purposes of taxation, class nine is established consisting of:
6 1. Improvements that are located on federal, state, county or
7 municipal property and owned by the lessee of the property if:
8 (a) The improvements are required to become the property of the
9 federal, state, county or municipal owner of the property on termination of
10 the leasehold interest in the property.
11 (b) Both the improvements and the property are used exclusively for
12 CONVENTION ACTIVITIES OR athletic, recreational, entertainment, artistic or
13 cultural facilities.
14 2. Improvements that are located on federal, state, county or
15 municipal property and owned by the lessee of the property if:
16 (a) The improvements are required to become the property of the
17 federal, state, county or municipal owner of the property on termination of
18 the leasehold interest in the property.
19 (b) Both the improvements and the property are:
20 (i) Used for or in connection with aviation, including hangars,
21 tie-downs, aircraft maintenance, sales of aviation-related items, charter and
22 rental activities, parking facilities and restaurants, stores and other
23 services located in a terminal.
24 (ii) Located on a state, county, city or town airport or a public
25 airport operating pursuant to sections 28-8423, 28-8424 and 28-8425.
26 3. Property that is defined as "contractor-acquired property" or
27 "government-furnished property" in the federal acquisition regulations
28 (48 Code of Federal Regulations section 45.101) and that is leased to or
29 acquired by the government and used to perform a government contract.
30 4. Property of a corporation that is organized by or at the direction
31 of this state or a county, city or town to develop, construct, improve,
32 repair, replace or own any property, improvement, building or other facility
33 to be used for public purposes that the state, county, city or town pledges
34 to lease or lease-purchase with state, county or municipal special or general
35 revenues and that is not otherwise exempt under chapter 11, article 3 of this
36 title.
37 5. Real property and improvements, including land, buildings,
38 furniture and equipment, regardless of ownership, that are leased for the
39 entire valuation year to, and used exclusively by, a nonprofit organization
40 that is recognized under section 501(c)(3) of the internal revenue code and
41 that operates on the premises as a charter school pursuant to section 15-183.
42 If only part of a parcel of real property or improvements to real property is
43 leased for operation of a charter school as provided by this paragraph, only
44 the portion so leased qualifies for classification under this section. A
45 property owner who leases property to a charter school shall file an

1 affidavit with the county assessor stating that the charter school shall be
2 the sole beneficiary of the change in property tax classification pursuant to
3 this section and that the lease rate that is charged to the charter school is
4 consistent with the lease rates that are charged to other tenants of the
5 property or a fair market rate.

6 ~~6. Improvements that are located on federal, state, county or~~
7 ~~municipal property and owned by the lessee of the property if:~~

8 ~~(a) The improvements become the property of the federal, state, county~~
9 ~~or municipal owner of the property on termination of the leasehold interest~~
10 ~~in the property.~~

11 ~~(b) Both the improvements and the property are used primarily for~~
12 ~~convention activities.~~

13 B. Improvements that are located in an area defined as a research park
14 pursuant to section 35-701 may not be classified under this section.

15 C. All property classified as class nine is subject to valuation at
16 full cash value.

APPROVED BY THE GOVERNOR APRIL 9, 2015.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 10, 2015.

Passed the House February 25, 20 15

by the following vote: 58 Ayes,

1 Nays, 1 Not Voting

[Signature]
Speaker of the House

[Signature]
Chief Clerk of the House

Passed the Senate MARCH 30, 20 15

by the following vote: 29 Ayes,

0 Nays, 1 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

 day of , 20

at o'clock M.

Secretary to the Governor

Approved this day of

at o'clock M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this day of , 20

at o'clock M.

Secretary of State

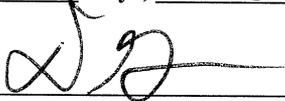
H.B. 2108

HOUSE CONCURS IN SENATE
AMENDMENTS AND FINAL PASSAGE

March 31, 2015,

by the following vote: 50 Ayes,

10 Nays, 0 Not Voting



Speaker of the House



Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

31st day of March, 2015,

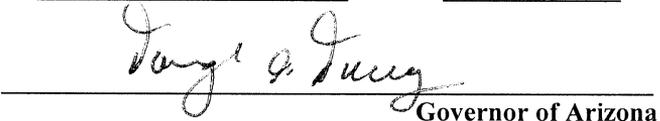
at 3:10 o'clock P. M.


Secretary to the Governor

Approved this 9th day of

April, 2015,

at 11:00 o'clock A M.


Governor of Arizona

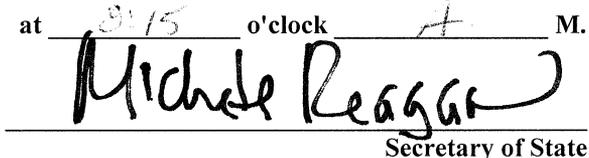
H.B. 2108

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 10th day of April, 2015,

at 8:15 o'clock A M.


Secretary of State