

Senate Engrossed House Bill

State of Arizona  
House of Representatives  
Fifty-second Legislature  
Second Regular Session  
2016

**FILED**  
**MICHELE REAGAN**  
**SECRETARY OF STATE**

CHAPTER 334 .

# **HOUSE BILL 2538**

AN ACT

AMENDING SECTIONS 35-458 AND 35-474, ARIZONA REVISED STATUTES; RELATING TO MUNICIPAL BOND TAX LEVIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 35-458, Arizona Revised Statutes, is amended to  
3 read:

4 35-458. Levy of tax for payment of bonds

5 A. After the bonds are issued, the governing body or board shall enter  
6 on its minutes a record of the bonds sold and their numbers and dates, and  
7 shall annually levy and cause to be collected a tax, at the same time and in  
8 the same manner as other taxes are levied and collected on all taxable  
9 property in such political subdivision, sufficient to pay the annual interest  
10 on the bonds when due, and shall likewise annually levy a tax sufficient to  
11 redeem the bonds when they mature. The annual levy ~~for both the principal  
12 and interest payment, including a reasonable tax delinquency factor,~~ shall  
13 not exceed the net amount necessary to ~~make the MEET annual payment and the  
14 PAYMENTS OF PRINCIPAL AND INTEREST, PROJECTED PAYMENTS OF PRINCIPAL AND  
15 INTEREST ON NEW DEBT PLANNED FOR THE ENSUING YEAR,~~ A reasonable delinquency  
16 factor, including an amount necessary to correct prior year errors OR  
17 SHORTAGES in the levy, if applicable, and any expenses and fees required in  
18 conjunction with the authorization pursuant to section 35-512.

19 B. Monies derived from the levy of the tax when collected shall  
20 constitute a fund for payment of interest and the bonds. The fund shall be  
21 kept separately and shall be known as the "interest fund" and "redemption  
22 fund" or the two funds may be combined into a single "interest and redemption  
23 fund."

24 Sec. 2. Section 35-474, Arizona Revised Statutes, is amended to read:

25 35-474. Levy of tax for payment of bonds

26 The board of supervisors, on behalf of the county or a school district  
27 ~~therein~~ IN THE COUNTY, or the governing body or board of a municipal  
28 corporation, ~~which~~ THAT has issued refunding bonds shall LEVY, during each  
29 year in which the bonds are outstanding, ~~levy~~ a tax on all property in the  
30 political subdivision for which the bonds are issued, sufficient to pay the  
31 annual interest on all bonds then outstanding and the annual installment of  
32 the principal thereof becoming due and payable in the next ensuing year. The  
33 annual levy ~~for both the principal and interest payment, including a  
34 reasonable tax delinquency factor,~~ shall not exceed the net amount necessary  
35 to meet ~~the annual payment and the~~ PAYMENTS OF PRINCIPAL AND INTEREST,  
36 PROJECTED PAYMENTS OF PRINCIPAL AND INTEREST ON NEW DEBT PLANNED FOR THE  
37 ENSUING YEAR, A reasonable delinquency factor, including an amount necessary  
38 to correct prior year errors OR SHORTAGES in the levy, if applicable, and any  
39 expenses and fees required in conjunction with the authorization pursuant to  
40 section 35-512. Such taxes shall be levied, assessed and collected at the  
41 same time and in the same manner as other taxes are levied, assessed and  
42 collected. The proceeds of the taxes shall be kept in a special fund and  
43 shall be used only for the purpose for which collected.

APPROVED BY THE GOVERNOR MAY 18, 2016.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 18, 2016.

Passed the House February 25, 20 16

Passed the Senate April 13, 2016

by the following vote: 59 Ayes,

by the following vote: 30 Ayes,

0 Nays, 1 Not Voting

0 Nays, 0 Not Voting

*[Signature]*

Speaker of the House

Pro Tempore

*[Signature]*

Chief Clerk of the House

*[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. 2538

HOUSE CONCURS IN SENATE  
AMENDMENTS AND FINAL PASSAGE

\_\_\_\_\_ May 6, 20 16,

by the following vote: 54 Ayes,

0 Nays, 6 Not Voting

\_\_\_\_\_  
[Signature]  
Speaker of the House

\_\_\_\_\_  
[Signature]  
Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this

6 day of May, 2016,

at 8:18 o'clock P. M.

\_\_\_\_\_  
[Signature]  
Secretary to the Governor

Approved this 18th day of

May, 2016,

at 8:23 o'clock A. M.

\_\_\_\_\_  
[Signature]  
Governor of Arizona

H.B. 2538

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 18th day of May, 2016

at 11:05 o'clock A. M.

\_\_\_\_\_  
[Signature]  
Secretary of State