

REFERENCE TITLE: municipal taxes; auditors and collectors

State of Arizona  
Senate  
Fiftieth Legislature  
First Regular Session  
2011

# **SB 1165**

Introduced by  
Senator Yarbrough

AN ACT

AMENDING SECTION 42-6002, ARIZONA REVISED STATUTES; RELATING TO MUNICIPAL  
EXCISE TAXES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2 Section 1. Section 42-6002, Arizona Revised Statutes, is amended to  
3 read:  
4 42-6002. Procedures for levy, collection and enforcement  
5 applicable to cities and towns  
6 A. The procedures for levy, collection and enforcement of payment of  
7 transaction privilege and affiliated excise taxes, including use tax,  
8 severance tax, jet fuel excise and use tax, and rental occupancy tax, levied  
9 by a city or town by such city or town shall be in the same manner as  
10 authorized by chapter 5 of this title unless otherwise provided by the  
11 ordinance of such city or town. The department, when acting on behalf of a  
12 city or town in levying and collecting transaction privilege and affiliated  
13 taxes for such city or town, shall utilize the procedures for levying,  
14 collecting and enforcing the payment of such taxes on behalf of ~~a~~ THE city  
15 or town.  
16 B. A CITY OR TOWN SHALL NOT:  
17 1. EMPLOY AUDITORS ON A CONTINGENT FEE BASIS OR ENTER INTO CONTINGENT  
18 FEE CONTRACTS FOR AUDITING ANY TRANSACTION PRIVILEGE OR AFFILIATED TAX LEVIED  
19 BY THE CITY OR TOWN.  
20 2. ENTER INTO CONTRACTS WITH A THIRD PARTY, OTHER THAN THIS STATE OR A  
21 POLITICAL SUBDIVISION OF THIS STATE, FOR THE COLLECTION, ADMINISTRATION OR  
22 PROCESSING OF TRANSACTION PRIVILEGE OR AFFILIATED TAXES LEVIED BY THE CITY OR  
23 TOWN. THIS PARAGRAPH DOES NOT APPLY TO A CITY OR TOWN THAT DOES NOT CONTRACT  
24 WITH THE DEPARTMENT FOR THE COLLECTION, ADMINISTRATION OR PROCESSING OF  
25 TRANSACTION PRIVILEGE OR AFFILIATED TAXES LEVIED BY THE CITY OR TOWN AND THAT  
26 ENTERS INTO A CONTRACT WITH A THIRD PARTY SOLELY FOR THE COLLECTION OF  
27 DELINQUENT CITY OR TOWN TRANSACTION PRIVILEGE OR AFFILIATED TAXES FOR WHICH A  
28 LIABILITY HAS BEEN ESTABLISHED.  
29 Sec. 2. Savings: preexisting contracts  
30 Section 42-6002, Arizona Revised Statutes, as amended by this act, does  
31 not apply to or affect any contract entered into before, or any contractual  
32 relationship existing on, January 1, 2011, but does apply to any renewal of a  
33 contract that is otherwise unaffected due to this section.