HB 2379

Introduced by
Representative Olson

AN ACT

AMENDING SECTIONS 48-3903, 48-4023, 48-4023.01 AND 48-5805, ARIZONA REVISED STATUTES; RELATING TO SPECIAL DISTRICT TAX LEVIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 48-3903, Arizona Revised Statutes, is amended to read:

48-3903. Tax levies
  A. The board of directors, after a county free library is established, shall annually levy in the same manner and at the same time as other county secondary property taxes are levied a county free library district tax sufficient to establish the district and to ensure the payment of salaries, maintenance and upkeep and other necessary expenses of the county free library district.
  B. The tax shall be levied and collected upon all property in the county and upon all property within incorporated cities and towns in the county.
  C. Beginning in tax year 2014, the maximum amount of the levy under this section for all purposes of the district other than debt service on voter-approved district bonds may not exceed the amount of the levy in the preceding tax year, adjusted annually by a percentage equal to the rate of change in the levy limit between the current year and the preceding year as determined pursuant to section 42-17051 for the county in which the district is located. The limitation under this subsection must be increased each year to the maximum permissible limit without regard to whether the district actually levies that amount. For a district that is established from and after December 31, 2013, the limit must be based on the initial levy of the district as approved by the board of directors pursuant to this section.

Sec. 2. Section 48-4023, Arizona Revised Statutes, is amended to read:

48-4023. Property tax levy
  A. If a majority of the qualified electors voting at an election held pursuant to section 48-4021 approves a county jail district ad valorem property tax, on or before the third Monday in August each year the district shall certify to the county board of supervisors the amount of taxes to be levied for the taxable year on the taxable property in the district which, together with unexpended balances carried forward from the previous fiscal year and revenues from all other sources, is necessary to pay the maintenance and operation expenses of the district in carrying out the objects and purposes of this chapter.
  B. The board of supervisors shall levy a secondary property tax on the taxable property in the district, at the same time and in the same manner as county taxes are levied, sufficient to provide the amount certified under subsection A of this section, but the tax rate is limited to, and shall not exceed in any event, the lesser of:
   1. Twenty cents per one hundred dollars of assessed valuation, except as provided in subsection B of this section.
   2. Beginning in tax year 2014, the amount of the levy in the preceding tax year, adjusted annually by a percentage equal to the rate of change in the levy limit between the current year and the preceding year as determined pursuant to section 42-17051 for the county in which the district is located.
THE LIMITATION UNDER THIS PARAGRAPH MUST BE INCREASED EACH YEAR TO THE MAXIMUM PERMISSIBLE LIMIT WITHOUT REGARD TO WHETHER THE DISTRICT ACTUALLY LEVIES THAT AMOUNT. FOR A DISTRICT THAT IS ESTABLISHED FROM AND AFTER DECEMBER 31, 2013, THE LIMIT MUST BE BASED ON THE INITIAL LEVY OF THE DISTRICT AS APPROVED BY THE QUALIFIED ELECTORS PURSUANT TO SECTION 48-4021.

C. The tax revenues collected pursuant to this section shall be paid to the district treasurer and deposited in the county jail district general fund and used solely for the purposes for which they were collected.

D. The tax shall be levied on all of the taxable property in the district.

D. Notwithstanding subsection B of this section, for tax years 2006, 2007 and 2008, the district may certify and the board of supervisors shall levy a secondary property tax on the taxable property in the district in an amount equal to the amount levied in tax year 2005.

Sec. 3. Section 48-4023.01, Arizona Revised Statutes, is amended to read:

48-4023.01. Property tax levy for juvenile detention facilities

A. If a majority of the qualified electors voting at an election held pursuant to section 48-4021 approves an ad valorem property tax for the district that includes juvenile detention facilities or if a majority of the qualified electors voting at an election held pursuant to section 48-4004 approves the inclusion of juvenile detention facilities in a district that was created by an election held pursuant to section 48-4021, the district may impose an ad valorem property tax pursuant to this section. The district shall certify to the county board of supervisors on or before the third Monday in August of each year the amount of taxes to be levied in addition to the levy in section 48-4023 for the taxable year on the taxable property in the district. The amount certified together with unexpended balances carried forward from the previous fiscal year and revenues from all other sources shall be the amount necessary to pay the maintenance and operation expenses of the district in carrying out this chapter in relation to juvenile detention facilities.

B. The board of supervisors may levy a secondary property tax on the taxable property in the district at the same time and in the same manner as county taxes are levied in an amount that is sufficient to provide the amount certified pursuant to subsection A of this section. The tax rate is limited to THE LESSER OF:

1. Ten cents per one hundred dollars of assessed valuation, except as provided in subsection D of this section.

2. BEGINNING IN TAX YEAR 2014, THE AMOUNT OF THE LEVY IN THE PRECEDING TAX YEAR, ADJUSTED ANNUALLY BY A PERCENTAGE EQUAL TO THE RATE OF CHANGE IN THE LEVY LIMIT BETWEEN THE CURRENT YEAR AND THE PRECEDING YEAR AS DETERMINED PURSUANT TO SECTION 42-17051 FOR THE COUNTY IN WHICH THE DISTRICT IS LOCATED. THE LIMITATION UNDER THIS PARAGRAPH MUST BE INCREASED EACH YEAR TO THE MAXIMUM PERMISSIBLE LIMIT WITHOUT REGARD TO WHETHER THE DISTRICT ACTUALLY LEVIES THAT AMOUNT. FOR A DISTRICT THAT IS ESTABLISHED FROM AND AFTER
DECEMBER 31, 2013, THE LIMIT MUST BE BASED ON THE INITIAL LEVY OF THE
DISTRICT AS APPROVED BY THE QUALIFIED ELECTORS PURSUANT TO SECTION 48-4021.

C. The tax revenues collected pursuant to this section shall be paid
to the district treasurer for deposit in the county jail district general
fund and shall be used solely for juvenile detention facilities.

D. The tax shall be levied on all of the taxable property in the
district.

D. Notwithstanding subsection B of this section, for tax years 2006,
2007 and 2008, the district may certify and the board of supervisors shall
levy a secondary property tax on the taxable property in the district in an
amount equal to the amount levied in tax year 2005.

Sec. 4. Section 48-5805, Arizona Revised Statutes, is amended to read:
48-5805. Transaction privilege tax; property tax

A. The board of directors of the district by resolution may levy, and
if levied, the department of revenue shall collect, a transaction privilege
tax pursuant to this section to be used and spent for the purposes described
in section 48-5804. The board shall set the rate of the tax at not more than
two per cent of the tax rate that applies to each business in the district
that is subject to taxation under title 42, chapter 5, article 1. The board
shall levy the tax on each person engaging in the district in a business
taxed under title 42, chapter 5, article 1.

B. Each month the state treasurer shall remit to the district
treasurer the net revenues collected under subsection A of this section
during the second preceding month. The district treasurer shall deposit the
monies in the public health services district's accounts and shall account
for all expenditures.

C. In lieu of a transaction privilege tax pursuant to subsection A of
this section, the board by resolution may levy in the same manner and at the
same time as other county secondary property taxes are levied a public health
services district tax. The tax shall not exceed THE LESSER OF:

1. Twenty-five cents per one hundred dollars of assessed valuation and
shall be levied on all property in the county and on all property within
incorporated cities and towns in the county.

2. BEGINNING IN TAX YEAR 2014, THE AMOUNT OF THE LEVY IN THE PRECEDING
TAX YEAR, ADJUSTED ANNUALLY BY A PERCENTAGE EQUAL TO THE RATE OF CHANGE IN
THE LEVY LIMIT BETWEEN THE CURRENT YEAR AND THE PRECEDING YEAR AS DETERMINED
PURSUANT TO SECTION 42-17051 FOR THE COUNTY IN WHICH THE DISTRICT IS LOCATED.
The limitation under this paragraph must be increased each year to the
maximum permissible limit without regard to whether the district actually
levies that amount. For a district that is established from and after
DECEMBER 31, 2013, THE LIMIT MUST BE BASED ON THE INITIAL LEVY OF THE
DISTRICT PURSUANT TO PARAGRAPH 1 OF THIS SUBSECTION.

D. The district shall deposit all monies collected pursuant to this
subsection in a separate account and shall account for all expenditures.