

REFERENCE TITLE: **municipal TPT; residential rentals; limit**

State of Arizona  
House of Representatives  
Fifty-fourth Legislature  
Second Regular Session  
2020

## **HB 2348**

Introduced by  
Representatives Chávez: Andrade, Cook, Dunn, Hernandez A, Lieberman,  
Roberts, Sierra, Teller, Toma

**AN ACT**

**AMENDING SECTION 42-6011, ARIZONA REVISED STATUTES; RELATING TO MUNICIPAL TRANSACTION PRIVILEGE TAX.**

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 42-6011, Arizona Revised Statutes, is amended to  
3 read:

4 42-6011. Municipal transaction privilege tax rates;  
5 residential rentals; limit; notification;  
6 applicability

7 A. A city or town that levies a transaction privilege, sales, gross  
8 receipts, use, franchise or other similar tax or fee, however denominated,  
9 shall not impose or increase the rate of tax applied to the business of  
10 renting or leasing real property for residential purposes unless **THE NEW**  
11 **OR INCREASED RATE OF TAX IS** approved by the qualified electors of the city  
12 or town at any regular municipal election **AND IS NOT MORE THAN FIVE**  
13 **PERCENT.**

14 B. A city or town that levies a transaction privilege, sales, gross  
15 receipts, use, franchise or other similar tax or fee, however denominated,  
16 applied to the business of renting or leasing real property for  
17 residential purposes shall send a notice by first class mail to each  
18 residential transaction privilege tax licensee that is licensed with the  
19 department and to the address of each residential rental property that  
20 there is a new or increased rate of tax at least sixty days before the  
21 effective date of the new or increased rate of tax.

22 C. This section does not apply with respect to health care  
23 facilities, long-term care facilities or hotel, motel or other transient  
24 lodging businesses.

25 D. The requirements of this section apply regardless of whether the  
26 city or town has adopted the model city tax code pursuant to article 2 of  
27 this chapter.