

House Engrossed

truth in taxation; press releases

State of Arizona
House of Representatives
Fifty-fifth Legislature
First Regular Session
2021

CHAPTER 98

HOUSE BILL 2112

AN ACT

AMENDING SECTIONS 15-1461.01, 42-17107 AND 48-254, ARIZONA REVISED
STATUTES; RELATING TO TRUTH IN TAXATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-1461.01, Arizona Revised Statutes, is amended
3 to read:

4 15-1461.01. Truth in taxation notice and hearing; roll call
5 vote on tax increase; definition

6 A. On or before February 10 of the tax year, the county assessor
7 shall transmit and certify to the property tax oversight commission and to
8 the district governing board the total net assessed values that are
9 required to compute the levy limit prescribed by section 42-17051. If the
10 proposed primary property tax levy, excluding amounts that are
11 attributable to new construction, is greater than the amount levied in the
12 preceding tax year by the district:

13 1. The district governing board shall publish a notice that meets
14 all of the following requirements:

15 (a) Is published twice in a newspaper of general circulation in the
16 district. The first publication shall be at least fourteen but not more
17 than twenty days before the date of the hearing. The second publication
18 shall be at least seven but not more than ten days before the date of the
19 hearing.

20 (b) Is published in a location other than the classified or legal
21 advertising section of the newspaper in which it is published.

22 (c) Is at least one-fourth page in size and ~~shall be~~ IS surrounded
23 by a solid black border at least one-eighth inch in width.

24 (d) Is in the following form, with the "truth in taxation
25 hearing-notice of tax increase" headline in at least eighteen-point type:

26 Truth in Taxation Hearing

27 Notice of Tax Increase

28 In compliance with section 15-1461.01, Arizona Revised
29 Statutes, (NAME OF community college district) is notifying
30 its property taxpayers of (NAME OF community college
31 district's) intention to raise its primary property taxes over
32 last year's level. The (NAME OF community college district)
33 is proposing an increase in primary property taxes of
34 \$_____ or ____%.

35 For example, the proposed tax increase will cause (NAME
36 OF community college district's) primary property taxes on a
37 \$100,000 home to be \$_____ (total proposed taxes including
38 the tax increase). Without the proposed tax increase, the
39 total taxes that would be owed on a \$100,000 home would have
40 been \$_____.

41 This proposed increase is exclusive of increased primary
42 property taxes received from new construction. The increase
43 is also exclusive of any changes that may occur from property
44 tax levies for voter approved bonded indebtedness or budget
45 and tax overrides.

1 All interested citizens are invited to attend the public
2 hearing on the tax increase that is scheduled to be held
3 (date and time) at (location).

4 (e) IS INCLUDED IN THE PROPOSED BUDGET AND IN THE BUDGET FINALLY
5 ADOPTED PURSUANT TO SECTION 15-1461.

6 2. In lieu of publishing the truth in taxation notice, the district
7 board may mail the truth in taxation notice prescribed by paragraph 1,
8 subdivision (d) of this subsection to all registered voters in the
9 district at least ten but not more than twenty days before the date of the
10 hearing.

11 3. In addition to publishing the truth in taxation notice under
12 paragraph 1 of this subsection or mailing the notice under paragraph 2 of
13 this subsection, the district governing board shall issue a press release
14 containing the truth in taxation notice to all newspapers of general
15 circulation in the district. THE PRESS RELEASE MUST:

16 (a) INCLUDE THE NAME OF THE NEWSPAPER OF GENERAL CIRCULATION IN
17 WHICH THE TRUTH IN TAXATION NOTICE WILL BE PUBLISHED AND THE DATES ON
18 WHICH THE TRUTH IN TAXATION NOTICE WILL BE PUBLISHED.

19 (b) BE POSTED ON THE OFFICIAL WEBSITE OF THE COMMUNITY COLLEGE
20 DISTRICT.

21 4. The district board shall consider a motion to levy the increased
22 property taxes by roll call vote. If the proposed levy, exclusive of
23 increased property taxes received from new construction, constitutes an
24 increase over the preceding tax year's levy by fifteen percent or more,
25 the motion to levy the increased property taxes must be approved by a
26 unanimous roll call vote of the district board.

27 5. Within three days after the hearing, the district board shall
28 mail a copy of the truth in taxation notice, a statement of its
29 publication or mailing and the result of the district board's vote under
30 paragraph 4 of this subsection to the property tax oversight commission
31 established by section 42-17002.

32 6. The district board shall hold the truth in taxation hearing on
33 or before the adoption of the county, city or town budget under section
34 42-17105.

35 B. If the governing board fails to comply with the requirements of
36 this section, the governing board shall not fix, levy or assess an amount
37 of primary property taxes that exceeds the preceding year's amount, except
38 for amounts attributable to new construction.

39 C. For the purposes of this section, "amount attributable to new
40 construction" means the net assessed valuation of property added to the
41 tax roll since the previous year multiplied by a property tax rate
42 computed by dividing the district's primary property tax levy in the
43 preceding year by the estimate of the district's total net assessed
44 valuation for the current year, excluding the net assessed valuation
45 attributable to new construction.

1 Sec. 2. Section 42-17107, Arizona Revised Statutes, is amended to
2 read:

3 42-17107. Truth in taxation notice and hearing; roll call
4 vote on tax increase; definition

5 A. On or before February 10 of the tax year, the county assessor
6 shall transmit and certify to the property tax oversight commission and to
7 the governing body of the county, city or town the total net assessed
8 values that are required to compute the levy limit prescribed by section
9 42-17051. If the proposed primary property tax levy, excluding amounts
10 that are attributable to new construction, is greater than the amount
11 levied by the county, city or town in the preceding tax year in the
12 county, city or town:

13 1. The governing body shall publish a notice that meets all of the
14 following requirements:

15 (a) Is published twice in a newspaper of general circulation in the
16 county, city or town. The first publication shall be at least fourteen
17 but not more than twenty days before the date of the hearing. The second
18 publication shall be at least seven but not more than ten days before the
19 date of the hearing.

20 (b) Is published in a location other than the classified or legal
21 advertising section of the newspaper in which it is published.

22 (c) Is at least one-fourth page in size and ~~shall be~~ IS surrounded
23 by a solid black border at least one-eighth inch in width.

24 (d) Is in the following form, with the "truth in taxation hearing
25 notice of tax increase" headline in at least eighteen-point type:

26 Truth in Taxation Hearing
27 Notice of Tax Increase

28 In compliance with section 42-17107, Arizona Revised
29 Statutes, (name of county, city or town) is notifying its
30 property taxpayers of (name of county, city or town)'s
31 intention to raise its primary property taxes over last year's
32 level. (name of county, city or town) is proposing an increase
33 in primary property taxes of \$_____ or ____%.
34

35 For example, the proposed tax increase will cause (name
36 of county, city or town)'s primary property taxes on a
37 \$100,000 home to be \$_____ (total proposed taxes including the
38 tax increase). Without the proposed tax increase, the total
39 taxes that would be owed on a \$100,000 home would have been
40 \$_____.

41 This proposed increase is exclusive of increased primary
42 property taxes received from new construction. The increase
43 is also exclusive of any changes that may occur from property
44 tax levies for voter approved bonded indebtedness or budget
and tax overrides.

1 All interested citizens are invited to attend the public
2 hearing on the tax increase that is scheduled to be held
3 (date and time) at (location).

4 (e) IS INCLUDED IN THE ESTIMATES OF REVENUES AND EXPENSES PURSUANT
5 TO SECTION 42-17103 AND IN THE BUDGET FINALLY ADOPTED PURSUANT TO SECTION
6 42-17105.

7 2. In lieu of publishing the truth in taxation notice, the
8 governing body may mail the truth in taxation notice prescribed by
9 paragraph 1, subdivision (d) of this subsection to all registered voters
10 in the county, city or town at least ten but not more than twenty days
11 before the date of the hearing on the estimates pursuant to section
12 42-17104.

13 3. In addition to publishing the truth in taxation notice under
14 paragraph 1 of this subsection or mailing the notice under paragraph 2 of
15 this subsection, the governing body shall issue a press release containing
16 the truth in taxation notice. THE PRESS RELEASE MUST:

17 (a) INCLUDE THE NAME OF THE NEWSPAPER OF GENERAL CIRCULATION IN
18 WHICH THE TRUTH IN TAXATION NOTICE WILL BE PUBLISHED AND THE DATES ON
19 WHICH THE TRUTH IN TAXATION NOTICE WILL BE PUBLISHED.

20 (b) BE POSTED ON THE OFFICIAL WEBSITE OF THE COUNTY, CITY OR TOWN.

21 4. The governing body shall consider a motion to levy the increased
22 property taxes by roll call vote. If the proposed levy, exclusive of
23 increased property taxes received from new construction, constitutes an
24 increase over the preceding tax year's levy by fifteen percent or more,
25 the motion to levy the increased property taxes must be approved by a
26 unanimous roll call vote of the governing body.

27 5. Within three days after the hearing, the governing body shall
28 mail a copy of the truth in taxation notice, a statement of its
29 publication or mailing and the result of the governing body's vote under
30 paragraph 4 of this subsection to the property tax oversight commission.

31 6. The governing body shall hold the truth in taxation hearing on
32 or before the adoption of the county, city or town budget under section
33 42-17105.

34 B. If the governing body fails to comply with the requirements of
35 this section, the governing body shall not fix, levy or assess an amount
36 of primary property taxes that exceeds the preceding year's amount, except
37 for amounts attributable to new construction.

38 C. For the purposes of this section, "amount attributable to new
39 construction" means the net assessed valuation of property added to the
40 tax roll since the previous year multiplied by a property tax rate
41 computed by dividing the primary property tax levy of the county, city or
42 town in the preceding year by the estimate of the total net assessed
43 valuation of the county, city or town for the current year, excluding the
44 net assessed valuation attributable to new construction.

Sec. 3. Section 48-254, Arizona Revised Statutes, is amended to read:

48-254. Truth in taxation notice and hearing; roll call vote on tax increase; definition

A. On or before February 10 of the tax year, the county assessor shall transmit and certify to the property tax oversight commission and to the governing body of each county flood control district, county free library district, county jail district and public health services district the total net assessed values that are required to compute the levy prescribed by sections 48-3620, 48-3903, 48-4023, 48-4023.01 and 48-5805. If the proposed secondary property tax levy of the special taxing district, excluding amounts attributable to new construction, is greater than the amount levied by the special taxing district in the preceding tax year:

1. The governing body shall publish a notice that meets ALL OF the following requirements:

(a) ~~The notice shall be~~ IS published twice in a newspaper of general circulation in the county. The first publication shall be at least fourteen but not more than twenty days before the date of the hearing. The second publication shall be at least seven but not more than ten days before the date of the hearing.

(b) ~~The notice shall be~~ IS published in a location other than the classified or legal advertising section of the newspaper in which it is published.

(c) ~~The notice shall be~~ IS at least one-fourth page in size and ~~shall be~~ IS surrounded by a solid black border at least one-eighth inch in width.

(d) ~~The notice shall be~~ IS in the following form, with the "truth in taxation hearing-notice of tax increase" headline in at least eighteen-point type:

Truth in Taxation Hearing

Notice of Tax Increase

In compliance with section 48-254, Arizona Revised Statutes, (name of special taxing district) is notifying its property taxpayers of (name of special taxing district)'s intention to raise its secondary property taxes over last year's level. (Name of special taxing district) is proposing an increase in secondary property taxes of \$_____ or %.

For example, the proposed tax increase will cause (name of special taxing district)'s secondary property taxes on a \$100,000 home to be \$_____ (total proposed taxes including the tax increase). Without the proposed tax increase, the total taxes that would be owed on a \$100,000 home would have been \$_____.

1 This proposed increase is exclusive of increased
2 secondary property taxes received from new construction. The
3 increase is also exclusive of any changes that may occur from
4 property tax levies for voter-approved bonded indebtedness.

5 All interested citizens are invited to attend the public
6 hearing on the tax increase that is scheduled to be held
7 (date and time) at (location).

8 (e) IS INCLUDED IN THE PROPOSED BUDGET AND IN THE BUDGET FINALLY
9 ADOPTED PURSUANT TO SECTION 48-252.

10 2. Instead of publishing the truth in taxation notice, the
11 governing body may mail the truth in taxation notice prescribed by
12 paragraph 1, subdivision (d) of this subsection to all registered voters
13 in the special taxing district at least ten but not more than twenty days
14 before the date of the hearing on the estimates pursuant to section
15 42-17104.

16 3. In addition to publishing the truth in taxation notice under
17 paragraph 1 of this subsection or mailing the notice under paragraph 2 of
18 this subsection, the governing body shall issue a press release containing
19 the truth in taxation notice. THE PRESS RELEASE MUST:

20 (a) INCLUDE THE NAME OF THE NEWSPAPER OF GENERAL CIRCULATION IN
21 WHICH THE TRUTH IN TAXATION NOTICE WILL BE PUBLISHED AND THE DATES ON
22 WHICH THE TRUTH IN TAXATION NOTICE WILL BE PUBLISHED.

23 (b) BE POSTED ON THE OFFICIAL WEBSITE OF THE SPECIAL TAXING
24 DISTRICT.

25 4. The governing body may only consider a motion to levy the
26 increased property taxes by roll call vote.

27 5. Within three days after the hearing, the governing body shall
28 mail a copy of the truth in taxation notice, as a statement of its
29 publication or mailing, and the result of the governing body's vote under
30 paragraph 4 of this subsection to the property tax oversight commission.

31 6. The governing body shall hold the truth in taxation hearing
32 concurrently with the adoption of the county budget under section
33 42-17105.

34 B. If the governing body fails to comply with the requirements of
35 this section, the governing body may not fix, levy or assess an amount of
36 secondary property taxes that exceeds the preceding year's amount, except
37 for amounts attributable to new construction.

38 C. For the purposes of this section, "amounts attributable to new
39 construction" means the net assessed valuation of property added to the
40 tax roll since the previous year multiplied by a property tax rate
41 computed by dividing the secondary property tax levy of the special taxing
42 district in the preceding year by the estimate of the total net assessed
43 valuation of the special taxing district for the current year, excluding
44 the net assessed valuation attributable to new construction.

H.B. 2112

APPROVED BY THE GOVERNOR MARCH 24, 2021.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 24, 2021.