

State of Arizona
Senate
Fiftieth Legislature
First Regular Session
2011

SENATE BILL 1165

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.