

ORDINANCE NO. 4979

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, RELATING TO TRANSACTION PRIVILEGE TAXES; AMENDING MESA PRIVILEGE AND EXCISE TAX CODE SECTIONS 5-10-415, 5-10-416, 5-10-417, 5-10-450, 5-10-570, AND REGULATION 5-10-350.3; PROVIDING FOR EFFECTIVE DATES THEREOF.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, AS FOLLOWS:

SECTION 1. Section 5-10-415, subsection B, paragraph 10 of the Mesa Privilege and Excise Tax Code (Mesa City Code Title 5, Chapter 10) is amended to read:

10. ~~Development or impact fees included in a construction or development contract for payment to the state or local government to offset governmental costs of providing public infrastructure, public safety and other public services to a development.~~ **ANY AMOUNT ATTRIBUTABLE TO DEVELOPMENT FEES THAT ARE INCURRED IN RELATION TO THE CONSTRUCTION, DEVELOPMENT OR IMPROVEMENT OF REAL PROPERTY AND PAID BY THE TAXPAYER AS DEFINED IN THE MODEL CITY TAX CODE OR BY A CONTRACTOR PROVIDING SERVICES TO THE TAXPAYER. FOR THE PURPOSES OF THIS PARAGRAPH:**
- (A) **THE ATTRIBUTABLE AMOUNT SHALL NOT EXCEED THE VALUE OF THE DEVELOPMENT FEES ACTUALLY IMPOSED.**
 - (B) **THE ATTRIBUTABLE AMOUNT IS EQUAL TO THE TOTAL AMOUNT OF DEVELOPMENT FEES PAID BY THE TAXPAYER OR BY A CONTRACTOR PROVIDING SERVICES TO THE TAXPAYER AND THE TOTAL DEVELOPMENT FEES CREDITED IN EXCHANGE FOR THE CONSTRUCTION OF, CONTRIBUTION TO OR DEDICATION OF REAL PROPERTY FOR PROVIDING PUBLIC INFRASTRUCTURE, PUBLIC SAFETY OR OTHER PUBLIC SERVICES NECESSARY TO THE DEVELOPMENT. THE REAL PROPERTY MUST BE THE SUBJECT OF THE DEVELOPMENT FEES.**
 - (C) **"DEVELOPMENT FEES" MEANS FEES IMPOSED TO OFFSET CAPITAL COSTS OF PROVIDING PUBLIC INFRASTRUCTURE, PUBLIC SAFETY OR OTHER PUBLIC SERVICES TO A DEVELOPMENT AND AUTHORIZED PURSUANT TO SECTION 9-463.05, SECTION 11-1102 OR TITLE 48 REGARDLESS OF THE JURISDICTION TO WHICH THE FEES ARE PAID.**

SECTION 2. Section 5-10-416, subsection C, paragraph 1, subparagraph E of the Mesa Privilege and Excise Tax Code is amended to read:

- (e) ~~Development or impact fees included in a construction or development contract for payment to the state or local government to offset governmental costs of providing public infrastructure, public safety and other public services to a development.~~ **ANY AMOUNT ATTRIBUTABLE TO DEVELOPMENT FEES THAT ARE INCURRED IN RELATION TO THE CONSTRUCTION, DEVELOPMENT OR IMPROVEMENT**

OF REAL PROPERTY AND PAID BY THE TAXPAYER AS DEFINED IN THE MODEL CITY TAX CODE OR BY A CONTRACTOR PROVIDING SERVICES TO THE TAXPAYER SHALL BE EXEMPT FROM THE TAX IMPOSED UNDER THIS SECTION. FOR THE PURPOSES OF THIS PARAGRAPH:

- (i) THE ATTRIBUTABLE AMOUNT SHALL NOT EXCEED THE VALUE OF THE DEVELOPMENT FEES ACTUALLY IMPOSED.
- (ii) THE ATTRIBUTABLE AMOUNT IS EQUAL TO THE TOTAL AMOUNT OF DEVELOPMENT FEES PAID BY THE TAXPAYER OR BY A CONTRACTOR PROVIDING SERVICES TO THE TAXPAYER AND THE TOTAL DEVELOPMENT FEES CREDITED IN EXCHANGE FOR THE CONSTRUCTION OF, CONTRIBUTION TO OR DEDICATION OF REAL PROPERTY FOR PROVIDING PUBLIC INFRASTRUCTURE, PUBLIC SAFETY OR OTHER PUBLIC SERVICES NECESSARY TO THE DEVELOPMENT. THE REAL PROPERTY MUST BE THE SUBJECT OF THE DEVELOPMENT FEES.
- (iii) "DEVELOPMENT FEES" MEANS FEES IMPOSED TO OFFSET CAPITAL COSTS OF PROVIDING PUBLIC INFRASTRUCTURE, PUBLIC SAFETY OR OTHER PUBLIC SERVICES TO A DEVELOPMENT AND AUTHORIZED PURSUANT TO SECTION 9-463.05, SECTION 11-1102 OR TITLE 48 REGARDLESS OF THE JURISDICTION TO WHICH THE FEES ARE PAID.

SECTION 3. Section 5-10-417, subsection C, paragraph 1, subparagraph E of the Mesa Privilege and Excise Tax Code is amended to read:

- (e) ~~Development or impact fees included in a construction or development contract for payment to the state or local government to offset governmental costs of providing public infrastructure, public safety and other public services to a development.~~ ANY AMOUNT ATTRIBUTABLE TO DEVELOPMENT FEES THAT ARE INCURRED IN RELATION TO THE CONSTRUCTION, DEVELOPMENT OR IMPROVEMENT OF REAL PROPERTY AND PAID BY THE TAXPAYER AS DEFINED IN THE MODEL CITY TAX CODE OR BY A CONTRACTOR PROVIDING SERVICES TO THE TAXPAYER SHALL BE EXEMPT FROM THE TAX IMPOSED UNDER THIS SECTION. FOR THE PURPOSES OF THIS PARAGRAPH:
 - (i) THE ATTRIBUTABLE AMOUNT SHALL NOT EXCEED THE VALUE OF THE DEVELOPMENT FEES ACTUALLY IMPOSED.
 - (ii) THE ATTRIBUTABLE AMOUNT IS EQUAL TO THE TOTAL AMOUNT OF DEVELOPMENT FEES PAID BY THE TAXPAYER OR BY A CONTRACTOR PROVIDING SERVICES TO THE TAXPAYER AND THE TOTAL DEVELOPMENT FEES CREDITED IN EXCHANGE FOR THE CONSTRUCTION OF, CONTRIBUTION TO OR DEDICATION OF REAL PROPERTY FOR PROVIDING PUBLIC INFRASTRUCTURE, PUBLIC SAFETY OR OTHER PUBLIC SERVICES NECESSARY TO THE DEVELOPMENT. THE REAL PROPERTY MUST BE THE SUBJECT OF THE DEVELOPMENT FEES.
 - (iii) "DEVELOPMENT FEES" MEANS FEES IMPOSED TO OFFSET CAPITAL COSTS OF PROVIDING PUBLIC INFRASTRUCTURE,

PUBLIC SAFETY OR OTHER PUBLIC SERVICES TO A DEVELOPMENT AND AUTHORIZED PURSUANT TO SECTION 9-463.05, SECTION 11-1102 OR TITLE 48 REGARDLESS OF THE JURISDICTION TO WHICH THE FEES ARE PAID.

SECTION 4. Section 5-10-450, subsection C, paragraph 11 of the Mesa Privilege and Excise Tax Code is amended to read:

11. **RENTAL, LEASING, AND LICENSING FOR USE OF SOLAR ENERGY DEVICES, FOR TAXABLE PERIODS BEGINNING FROM AND AFTER JULY 1, 2008. THE LESSOR SHALL REGISTER WITH THE DEPARTMENT OF REVENUE AS A SOLAR ENERGY RETAILER. BY REGISTERING, THE LESSOR ACKNOWLEDGES THAT IT WILL MAKE ITS BOOKS AND RECORDS RELATING TO LEASES OF SOLAR ENERGY DEVICES AVAILABLE TO THE DEPARTMENT OF REVENUE AND CITY, AS APPLICABLE, FOR EXAMINATION.**

SECTION 5. Section 5-10-570, subsection B; paragraph 2 of the Mesa Privilege and Excise Tax Code is amended to read:

2. Extension to file a petition. In all cases, the taxpayer may request ~~only one (1) AN~~ extension from the Tax Collector. Such request must be in writing, state the reasons for the requested delay ~~and time of delay requested~~, and must be filed with the Tax Collector within the period allowed above for originally filing a petition. The Tax Collector shall allow **A FORTY-FIVE (45) DAY** ~~such~~ extension to file a petition; when such written request has been properly and timely made by the taxpayer, ~~but such extension shall not exceed forty five (45) days beyond the time provided for originally filing a petition.~~ **THE TAX COLLECTOR MAY GRANT AN ADDITIONAL EXTENSION AND MAY DETERMINE THE CORRESPONDING TIME OF ANY SUCH EXTENSION AT HIS SOLE DISCRETION.**

SECTION 6. Regulation 5-10-350.3 of the Mesa Privilege and Excise Tax Code is amended to read:

Reg. 5-10-350.3. Recordkeeping: out-of-City and out-of-State sales.

- (A) Out-of-City Sales. Any person engaging or continuing in a business who claims out-of-City sales shall maintain and keep accounting records or books indicating separately the gross income from the sales of tangible personal property from such out-of-City branches or locations.
- (B) Out-of-State Sales. Persons engaged in a business claiming out-of-State sales shall maintain accounting records or books indicating for each out-of-State sale the following documentation:
 1. Documentation of location of the buyer at the time of order placement; and
 2. ~~Documentation of residency of the buyer, determined in the manner one determines if a person "resides within the City"; and~~
 - 3-2. Shipping, delivery, or freight documents showing where the buyer took delivery; and
 - 4-3. Documentation of intended location of use or storage of the tangible personal property sold to such buyer.

SECTION 7. Retroactive Effect. Sections 1, 2, and 3 of this ordinance shall be effective from and after September 1, 2006.

SECTION 8. Retroactive Effect. Sections 4 and 6 of this ordinance shall be effective from and after July 1, 2008.

PASSED AND ADOPTED by the City Council of the City of Mesa, Maricopa County, Arizona, this 17th day of May, 2010.

APPROVED:



Mayor

ATTEST:



City Clerk

