

ORDINANCE NO. 4990

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA AMENDING MESA CITY CODE TITLE 5, CHAPTER 10, "PRIVILEGE AND EXCISE TAXES" BY ADOPTION OF NEW SECTION 5-10-485, MODIFICATION OF REGULATION 5-10-270.1, AND MODIFICATION OF REGULATION 5-10-460.1; ESTABLISHING EFFECTIVE DATE THEREOF.

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

SECTION 1. Mesa City Code Title 5, Chapter 10, Section 485 is amended as follows:

**5-10-485: (~~RESERVED~~) WASTEWATER REMOVAL SERVICES**

**(A) THE TAX RATE SHALL BE AN AMOUNT EQUAL TO ONE AND THREE-FOURTHS PERCENT (1.75%) OF THE GROSS INCOME FROM THE BUSINESS ACTIVITY UPON EVERY PERSON ENGAGING OR CONTINUING IN THE BUSINESS OF PROVIDING WASTEWATER REMOVAL SERVICES FROM PREMISES, LOCATIONS OR FACILITIES LOCATED WITHIN THE CITY LIMITS OF MESA BY MEANS OF SEWER LINES OR SIMILAR PIPELINES.**

**(B) THE TAX IMPOSED BY THIS SECTION SHALL NOT APPLY TO GROSS INCOME RELATING TO THE PROVIDING OF WASTEWATER REMOVAL SERVICES FROM A QUALIFYING HOSPITAL, QUALIFYING COMMUNITY HEALTH CENTER OR A QUALIFYING HEALTH CARE ORGANIZATION.**

SECTION 2. Mesa City Code Title 5, Chapter 10, Regulation 5-10-270.1, is amended as follows:

**5-10-270.1: PROPRIETARY ACTIVITIES OF MUNICIPALITIES ARE NOT CONSIDERED ACTIVITIES OF A GOVERNMENTAL ENTITY:**

The following activities, when performed by a municipality, are considered to be activities of a person engaged in business for the purposes of this Chapter, and not excludable by reason of Section 5-10-270:

- (A) Rental, leasing, or licensing for use of real property to other than another department or agency of the municipality.
- (B) Producing, providing, or furnishing electricity, electric lights, current, power, gas (natural or artificial), or water to consumers or ratepayers.
- (C) Sale of tangible personal property to the public, when similar tangible personal property is available for sale by other persons, as, for example, at police or surplus auctions.

**(D) PROVIDING WASTEWATER REMOVAL TO CONSUMERS OR RATEPAYERS, BY MEANS OF SEWERS OR PIPELINE, OR BY ANY OTHER METHOD.**

SECTION 3. Mesa City Code Title 5, Chapter 10, Regulation 5-10-460.1, subsection (a) is amended as follows:

(A) Charges for transfer of tangible personal property included in the gross income of the business activity of persons engaged in the following business activities shall be deemed only as gross income from such business activity and not sales at retail taxed by Section 5-10-460:

1. Tangible personal property incorporated into real property as part of reconstruction or construction contracting, per Sections 5-10-415 through 5-10-418.
2. (Reserved)
3. Job printing per Section 5-10-425.
4. Mining, timbering, and other extraction, but not sales of sand, gravel, or rock extracted from the ground per Section 5-10-430.
5. Publication of newspapers, magazines, and other periodicals per Section 5-10-435.
6. Rental, leasing, and licensing of real or tangible personal property per Sections 5-10-445 or 5-10-450.
7. Restaurants and bars per Section 5-10-455.
8. Telecommunications services per Section 5-10-470.
9. Utility services per Section 5-10-480.

**10. WASTEWATER REMOVAL SERVICES PER SECTION 5-10-485.**

SECTION 4. Effective Date. These amendments shall be effective August 1, 2010.

PASSED AND ADOPTED by the City Council of the City of Mesa, Arizona, this 21<sup>st</sup> day of June, 2010.

APPROVED:



Mayor

ATTEST:



City Clerk

