City of Benson
City Council Communication

Regular Meeting **May 11, 2015**

To: Mayor and Council Agenda Item # 4

From: Dustin DeSpain, Finance Director

Subject:

Discussion and possible action regarding Ordinance 577 of the Mayor and Council of the City of Benson, Arizona, about the privilege license tax; amending the City Tax Code to increase that tax rate; repealing Code provisions that conflict; penalizing violations thereof; providing for severability; designating an effective date and making provision for existing contracts

Discussion:

This is the ordinance in regards to the proposed 1% sales tax increase for the City of Benson. The staff of the City of Benson is seeking approval for a 1% increase in Sales Tax Revenue.

Staff Recommendation:

Approval of Ordinance 577

ORDINANCE 577

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF BENSON, ARIZONA, ABOUT THE PRIVILEGE LICENSE TAX; AMENDING THE CITY TAX CODE TO INCREASE THAT TAX RATE; REPEALING CODE PROVISIONS THAT CONFLICT; PENALIZING VIOLATIONS THEREOF; PROVIDING FOR SEVERABILITY; DESIGNATING AN EFFECTIVE DATE AND MAKING PROVISION FOR EXISTING CONTRACTS

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF BENSON, ARIZONA, that:

Section 1: The privilege license tax rate in the city tax code is, subject to the Sections of this Ordinance set forth below, increased from two and one-half percent (2.5%) to three and one-half percent (3.5%). This Ordinance is intended to modify all applicable Sections of the Benson City Code, including:

Section SA-405 Advertising
Section SA-410 Amusements, exhibitions, and similar Activities
Section SA-425 Job Printing
Section SA-427 Manufactured Buildings
Section SA-430 Timbering and other extraction
Section SA-435 Publishing and periodicals distribution
Section SA-444 Hotels
Section SA-455 Restaurants and Bars
Section SA-460 Retail Sales; measure of tax, burden of proof; exclusion
Section SA-470 Telecommunications Services
Section SA-475 Transporting for hire
Section SA-480 Utility Services

Section 2: Any person found guilty of violating any provision of these amendments to the tax code shall be guilty of a Class One misdemeanor. Each day that a violation continues shall be a separate offense punishable as herein above described.

Section 3: If any section sentence, clause, phrase or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction such decision shall not affect the validity of the remaining portions thereof.

Section 4: The provisions of this ordinance shall become effective on August 1, 2015, and, further, the sales tax rate set forth in Section 1 above, shall decrease by one percent (1%) on August 1, 2022.

Section 5: The tax increase imposed pursuant to Section 1 of this ordinance shall not apply to contracts entered into prior to the effective date of this ordinance.

Section 6: Any conflicting provisions of the City Code or subsequent amendments thereto now existing, are hereby repealed and of no further force and effect.

PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE CITY OF BENSON, ARIZONA, this 11th day of May, 2015.

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TONEY D. KING, SR., Mayor

ATTEST:

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VICKI L. VIVIAN, CMC, City Clerk

APPROVED AS TO FORM:

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MESCH, CLARK & ROTHSCHILD
by GARY J. COHEN
City's Attorney