RESOLUTION NO. 14-06-09 (AMENDED)

A RESOLUTION PROVIDING FUNDING TO BE USED FOR HIGHWAY AND STREET PURPOSES INCLUDING COSTS OF RIGHTS OF WAY ACQUISITIONS AND EXPENSES RELATED THERETO AND CONSTRUCTION, RECONSTRUCTION, MAINTENANCE, REPAIR AND ROADSIDE DEVELOPMENT OF COUNTY, CITY AND TOWN ROADS, STREETS AND BRIDGES AND PAYMENT OF PRINCIPAL AND INTEREST ON HIGHWAY AND STREET BONDS, AND FOR REGIONAL TRANSPORTATION PROJECTS THAT ARE INCLUDED IN THE REGIONAL TRANSPORTATION PLAN OF THE COUNTY PREPARED BY THE COUNTY, ANY CITY, TOWN OR REGIONAL PLANNING AGENCY; AND LEVYING A TRANSPORTATION EXCISE TAX TO PROVIDE MONEYS FOR SAID PURPOSES.

BE IT RESOLVED by the Board of Supervisors of Gila County, as follows:

Section 1. Title.
This resolution shall be known as the "**2014 Gila County ½ Cent Transportation Excise Tax Resolution.**"

Section 2. Purpose.

A. This resolution is adopted pursuant to applicable sections of Arizona Revised Statutes Title 42, Chapter 6, Article 3, to provide funds for the transportation needs of Gila County including the unincorporated County areas and the incorporated cities and towns located therein. In order to adequately provide for those transportation needs for the safety of the public, and in a manner which takes into consideration the population growth of both the County and the cities and towns within the County during the twenty (20) year period this Gila County ½ Cent Transportation Excise Tax is in effect, it is the intention of the Gila County Board of Supervisors that the funds collected be used for any and all transportation uses authorized by statute. Currently, uses are prescribed in Arizona Revised Statutes Title 28, Chapter 17, Article 3, and (Transportation Excise Tax Distribution in Less Populated Counties). The revenues raised from the tax levied pursuant to the terms hereof shall be used for transportation purposes such as:

1. Highway and street purposes including roadway construction, reconstruction, maintenance, repair and roadside construction of county, city or town roads, streets,

bridges, and railroad crossings.

2. Payment of principal and interest on highway and street bonds.
3. Multi-modal transportation systems including single and multi-use trails, sidewalks and curbs, and pedestrian pathways.
4. Regional transportation studies.
5. Cooperative transportation projects and studies between the federal government and its agencies, the State government and its agencies, and the incorporated cities and towns within the County.

B. It is the intention of the Gila County Board of Supervisors that any statutory changes affecting the transportation uses of the funds collected herefrom shall be applicable and included as authorized uses of the funds in addition to those uses presently included in the statute(s).

C. The hereinabove described uses are severable. Should any provision of this resolution be deemed by a Court to be illegal or invalid, the validity of the remaining parts, terms, provisions, or any valid use of the revenues collected shall not be affected thereby, and said illegal or invalid part, term or provision shall not be deemed a part of this resolution and shall be severed therefrom, notwithstanding any other provision of this resolution to the contrary.

Section 3. Definitions

2014 Gila County ½ Cent Transportation Excise Tax. The tax imposed by this resolution.

Board. The Board of Supervisors of Gila County, Arizona.

County. The County of Gila, a political subdivision of the State of Arizona.

Department. The Department of Revenue of the State of Arizona.

Population. "Population" means the population determined in the most recent United States decennial census or the most recent special census as provide in § 28-6532 and revisions to the decennial or special census certified by the United States bureau of the census.
Added by Laws 1995, Ch. 132 § 3, eff. Oct. 1, 1997. Amended by Laws 1996, ch. 76, § 245, eff. October 1, 1997.

Transportation Excise Tax. The 2014 Gila County ½ Cent Transportation Excise Tax.

Section 4. Other Definitions.
To the extent terms are not defined herein, the definition of terms set forth in Arizona Revised Statutes § 42-5001, a copy of which is on file in the Gila County Clerk's office and is by this reference made a part hereof, are adopted herein.

Section 5. Imposition of Tax.
There is hereby levied upon persons as a result of their business activities within the County, cities and towns and shall be collected by the Department, Transportation Excise Taxes at rates equal to ten percent (10%) of the State of Arizona transaction privilege tax rates applying to each person engaging or continuing in the County, cities and towns in a business taxed under Arizona Revised Statutes Title 42, Chapter 5, Article 1. Such taxes shall be measured by the amount or volume of business transacted by persons on account of their business activities, and in the amounts to be determined by the application of rates against values, gross proceeds of sales or gross income, as the case may be, as prescribed by this resolution.

Section 6. Schedule of Tax Rates.
The Transportation Excise Taxes levied by this resolution are levied and shall be collected at the following rates applied to the values, gross proceeds of sale or gross income, as the case may be from the business of every person engaging or continuing in the County in the business classifications contained in Arizona Revised Statutes (A.R.S.) Title 42, Chapter 5, Article 1 as amended, copies of which are on file in the Gila County Clerk's office and are by this reference made a part hereof, as follows:

(a)	A.R.S. § 42-5010.A.1.a. Intrastate transportation of persons, freight or property as defined and described in A.R.S. § 42-1062 – Transportation classification.	½ of 1%
(b)	A.R.S. § 42-5010.A.1.b. Producing and furnishing electricity, natural or artificial gas and water to consumers as described in A.R.S. § 42-5063 – Utilities classification; definitions.	½ of 1%
(c)	A.R.S. § 42-5010.A.1.c. Telecommunication services, as described in A.R.S. § 42-5064 – Telecommunications classification; definition.	½ of 1%
(d)	A.R.S. § 42-5010.A.1.d. Intrastate operation of pipelines and conduits for transporting oil or natural or artificial gas from one point to another as defined and described in A.R.S. § 42-5067 – Pipeline classification.	½ of 1%
(e)	A.R.S. § 42-5010.A.1.e. Intrastate operation of private car lines as defined and described in A.R.S. § 42-5068 – Private car line classification and A.R.S. § 42-1430, et seq.	½ of 1%
(f)	A.R.S. § 42-5010.A.1.f. Publication of newspapers, magazines and other periodicals and publications if published in this state as defined and described in A.R.S. § 42-5065 – Publication classification; definition.	½ of 1%
(g)	A.R.S. § 42-5010.A.1.g. Job printing, engraving, embossing and copying as defined and described in A.R.S. § 42-5066 – Job printing classification.	½ of 1%
(h)	A.R.S. § 42-5010.A.1.h.	½ of 1%

	Prime contracting and dealership of manufactured buildings as defined and described in A.R.S. § 42-5075 – Prime contracting classification; exemptions; definitions.	
(i)	A.R.S. § 42-5010.A.1.i. Operating as an owner builder as described and defined in A.R.S. § 42-5076 – Owner builder sales classification; definitions.	½ of 1%
(j)	A.R.S. § 42-5010.A.1.j. Operation of an amusement business as defined and described in A.R.S. § 42-5073 – Amusement classification.	½ of 1%
(k)	A.R.S. § 42-5010.A.1.k. Operation of a restaurant as defined and described in A.R.S. § 42-5074 – Restaurant classification.	½ of 1%
(l)	A.R.S. § 42-5010.A.1.l. The leasing or renting of tangible personal property as defined and described in A.R.S. § 42-5071 – Personal property rental classification.	½ of 1%
(m)	A.R.S. § 42-5010.A.1.m. Retail sales as defined and described in A.R.S. § 42-5061.	½ of 1%
(n)	A.R.S. § 42-5010.2. Engaging in the business of transient lodging classification as described in A.R.S. § 42-5070.	11/20 of 1%
(o)	A.R.S. § 42-5010.3 Engaging in continuing in the mining classification as described in A.R.S. § 42-5072 – Mining classification; definition.	313/1000 of 1%
(p)	Any additional business classifications the State of Arizona may deem to be taxable.	

Section 7. Exemptions, Exclusions, Deductions and Definitions

All exemptions, exclusions, deductions and definitions contained in A.R.S. Title 42, Chapter 5, shall apply to the categories of businesses listed in Section 6 hereinabove and to the transactions described therein. Copies of these statutes are on file in the Gila County Clerk's office and are made a part hereof by this reference.

Section 8. Administration.

Unless the context otherwise requires, the administration of the Transportation Excise Tax shall be governed by the provisions of A.R.S. Title 42, Chapter 5, Article 1, except:

1. A separate license is not required for the tax imposed by this resolution, and the tax due hereunder shall be included, reported and paid with the transaction privilege tax of the State of Arizona.
2. A separate bond is not required of employees of the Department in administering the Transportation Excise Tax.
3. The tax imposed by this resolution may be included without segregation in any notice and lien filed for unpaid transaction privilege tax of the State of Arizona.

Section 9. Distribution of Revenues.
The Department shall distribute the tax revenues raised, to Gila County for use within the unincorporated areas of the County, and to the incorporated cities and towns for use within their jurisdictions. Any cities and towns hereafter incorporated shall be entitled to their share of the tax revenues distributable to the County, cities and towns beginning in the first quarter of the Arizona State fiscal year after their incorporation. The calculation of the amounts to be distributed shall be made on the basis that the population of each jurisdiction (Gila County, cities, towns) bears to the total population of the County.

Each respective jurisdiction shall receive a minimum of 0.85% of the total amount to be distributed. In addition, after the distribution of the minimum to each jurisdiction, the remaining amount shall be distributed to each jurisdiction in amounts to be determined by multiplying the total tax revenues remaining after the minimum distribution, by a fraction, the numerator being the population of each respective jurisdiction and the denominator being the total population of Gila County including the cities and towns in the County.

The revenues raised by this excise tax shall not be subject to the jurisdiction's expenditure and revenue limitations.

The cities, the towns and the County shall only use the tax revenues for the purposes authorized by this resolution.

Section 10. Effective Date; Time in Effect.
The 2014 Gila County ½ Cent Transportation Excise Tax shall take effect on January 1, 2015, if theretofore a majority of the qualified Gila County electors voting at the November 4, 2014, general election approves the 2014 Gila County ½ Cent Transportation Excise Tax, and shall be in effect for a period of 20 years from such effective date.

PASSED AND ADOPTED this 24th day of June 2014, and **AMENDED** this 1st day of July 2014.

ATTEST:

Marian Sheppard, Clerk

GILA COUNTY BOARD OF SUPERVISORS

Michael A. Pastor, Chairman

APPROVED AS TO FORM:

Bryan Chambers
Deputy Attorney Principal