



Program City Transaction Privilege Tax Changes and News

This publication is an informational notice for March 2013.

TEMPORARY TAX WILL EXPIRE AFTER MAY 31, 2013

The 1% Temporary Transaction Privilege Tax approved by Arizona voters in May 2010 will expire after May 31, 2013. The new state/county combined tax rates effective June 1, 2013, will be released in the Spring 2013. Please continue to check the azdor.gov website for tax rate information.

CITY OF WILLIAMS

Effective March 1, 2013: On December 13, 2012, the City Council of the City of Williams passed Ordinance Number 932. Ordinance 932 amends Title 4, Chapter 4 of the City Tax Code, provides penalties for the violation thereof; provides for severability, repeals conflicting ordinances, designates an effective date of March 1, 2013 and makes a provision for existing contracts.

Ordinance 932 amends Title 4, Chapter 4 and increases the Privilege Tax rate to an amount equal to **three and one-half percent (3.5%)**. The increase affects Business Classification (**WL 000**).

Ordinance 932 also eliminates the tax on Food for Home Consumption.

Ordinance 932 does not affect Rental of Real Property which remains at **three percent (3.0%)**. This creates Business Classification (**WL 013**)

The increase imposed by this ordinance shall not apply to contracts entered into prior to the effective date of March 1, 2013. Pre-existing Privilege Tax contracts should be reported under the Privilege Tax Contracts (Prior to March 1, 2013) utilizing the newly created Business Classification, (**WL 007**) and is taxed at the rate of **three percent (3.0%)**.

TOWN OF BUCKEYE

Effective May 1, 2013: On February 5, 2013, the Mayor and the Town Council of the Town of Buckeye passed Ordinance Number 01-13. Ordinance 01-13 amends the Town Code, Chapter 13 (Tax Code 2011 Edition), Article IV, Section 13-460(D) by adopting Model City Tax Code Local Option V. Local Option V imposes a two-level structure on sales of tangible personal property exceeding \$1,999.99.

Ordinance 01-13 reduces the transaction privilege tax rate on single item purchases of tangible personal property exceeding \$1,999.99 from **three percent (3%)** to a transaction privilege rate of **one and one half percent (1.5%)**. The decrease creates Business Classification (**BE 001**).