

ORDINANCE 2020-008

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SIERRA VISTA, COCHISE COUNTY, ARIZONA; ADOPTING AMENDMENTS TO THE CITY OF SIERRA VISTA TAX CODE BY REFERENCE; AUTHORIZING AND DIRECTING THE CITY MANAGER, CITY CLERK, CITY ATTORNEY OR THEIR DULY AUTHORIZED OFFICERS AND AGENTS TO TAKE ALL STEPS NECESSARY TO CARRY OUT THE PURPOSES AND INTENT OF THIS ORDINANCE; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING FOR SEVERABILITY

WHEREAS, developers requested that the Infrastructure, Police and Fire Impact Fees be levied at 75% of allowable and have the remaining 25% be offset by a .7% increase in the construction privilege tax rate;

WHEREAS, changes in State Law have affected development fee offset rules and the construction sections of the Model City Tax Code;

WHEREAS, it is no longer beneficial to the City of Sierra Vista to have a differential tax rate and impact fee offset.

WHEREAS, it is recommended that the 2020 Impact Fee update levy all the fees at 100% of allowable and reduce the construction tax classifications to the same rate that is levied on retail sales.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SIERRA VISTA, ARIZONA, AS FOLLOWS:

SECTION 1

That certain document known as "the 2020 Amendments to the Tax Code of the City of Sierra Vista," three copies of which are on file in the office of the City Clerk of the City of Sierra Vista, Arizona-, adopted and made part hereof as if fully set out in this ordinance.

SECTION 2

The provisions of this ordinance are effective from and after March 1, 2021.

SECTION 3

Any person found 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.

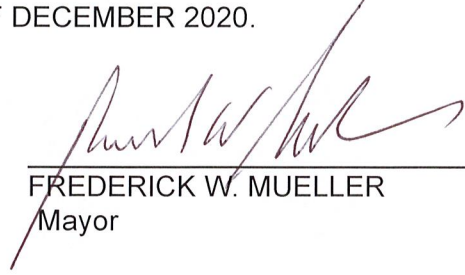
SECTION 4

All ordinances and parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 5

Should any section, clause or provision of this ordinance be declared by the courts to be invalid, such invalidity shall not affect other provisions which can be given effect without the invalid provision, and to this end, the provisions of this ordinance are declared to be severable.

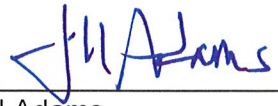
PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SIERRA VISTA, ARIZONA THIS 10<sup>th</sup> DAY OF DECEMBER 2020.



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FREDERICK W. MUELLER  
Mayor

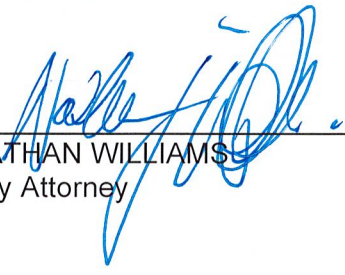
ATTEST:



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Jill Adams  
City Clerk

APPROVED AS TO FORM:



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NATHAN WILLIAMS  
City Attorney

PREPARED BY:  
DAVID J. FELIX, CPA

# CHAPTER 8A - PRIVILEGE AND EXCISE TAXES

## Article IV - Privilege Taxes

### **Sec. 8A-415. Construction contracting: construction contractors.**

- (a) The tax rate shall be at an amount equal to ~~two and forty-five hundredths percent (2.45%)~~ one and ninety-five hundredths percent (1.95%) of the gross income from the business upon every construction contractor engaging or continuing in the business activity of construction contracting within the City.

### **Sec. 8A-416. Construction contracting: speculative builders.**

- (a) The tax shall be equal to ~~two and forty-five hundredths percent (2.45%)~~ one and ninety-five hundredths percent (1.95%) of the gross income from the business activity upon every person engaging or continuing in business as a speculative builder within the City.

### **Sec. 8A-417. Construction contracting: owner-builders who are not speculative builders.**

- (a) At the expiration of twenty-four (24) months after improvement to the property is substantially complete, the tax liability for an owner-builder who is not a speculative builder shall be at an amount equal to ~~two and forty-five hundredths percent (2.45%)~~ one and ninety-five hundredths percent (1.95%) of: