MAYOR
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VICE MAYOR
ANITA ROMERO

COUNCIL MEMBERS
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THE PUEBLO WITHIN A CITY
1601 SOUTH SIXTH AVENUE
SOUTH TUCSON, AZ 85713
(520) 792-2424
FAX (520) 628-9619

CITY MANAGER
LUIS GONZALES

IMPORTANT

Please Read: Notification of Changes

October 1, 2014

Dear Business/Property Owner or Agent,

Through the budgetary process, the City of South Tucson has adopted several changes affecting privilege and property taxes as well as occupational license fees. Enclosed with this letter please find the billing for calendar year 2014, Quarter 4.

An explanation of such fees can be read on the reverse side of this letter. Please to contact us if you have any questions at (520) 792-2424.

Sincerely,

City of South Tucson Finance Department

City of South Tucson

List of Changes Affecting Rental Activity

Occupational License Fees:

This is the first rate increase to an Occupational License Fee since the adoption of the fee schedule more than twenty five years ago. The units you are being billed for are those that have been recorded in our files as per your business license application. If you feel any corrections need to be made to the number of units you are being billed for, please contact the City of South Tucson and the proper City Official will be sent out to your location for verification and/or possible amendment.

Sec. 11-36. Fee schedule.

"[…] license taxes [Occupational License Fee; …] established for businesses, occupations, trades, callings, and professions […]"

Rental of commercial and residential property . . . . . ~~20.00~~ 25.00 per unit

Privilege Tax Rates:

While all other industries experienced a 2% increase in privilege tax to be reported and paid to the Arizona Department of Revenue, the rate for Commercial and Residential Rental Activity remained at 2.5% as indicated in section 11-196 (a) & 11-196 (g).

Sec. 11-196. Rental, leasing, and licensing for use of real property--Generally.

(a) "The tax rate under the provisions of this article shall be at an amount equal to two and one-half (2.5) percent of the gross income from the business activity upon every person engaging or continuing in the business of leasing, licensing for use, or renting real property located within the city […]"

(g) Adoption by reference, A.R.S. §§ 42-6011 – Municipal transaction privilege tax rates; residential rental (Ord. 14-05, § 42-6011, 09-10-2014)
[exclusion from any increase]

Secondary Property Tax:

Eliminated through the Fiscal 2015 Budgetary process.