



Legislation Text

File #: 16-0923, **Version:** 1

Approving and authorizing the City Manager to enter into a modification of the Intergovernmental Agreement with the Arizona Department of Revenue (ADOR) for the administration, collection, and licensing of transaction privilege, use, severance, jet fuel, and rental occupancy taxes. **(Citywide)**

In 2013, the State passed House Bill 2111 (Tax Simplification) to make ADOR the central point for the administration and collection of transaction privilege tax and other affiliated taxes. HB 2111 included language requiring cities/towns to enter into Intergovernmental Agreements (IGA) with ADOR for the uniform administration, collection, audit and licensing of the taxes. Mesa entered into its IGA with ADOR in June 2015. The IGA reflects the new processes established by HB 2111 as well as the operational points negotiated between the cities/towns and ADOR. The IGA requires an annual review of the agreement by representatives of the cities/towns and ADOR. As a result of the first annual review, modifications to the language of the IGA are being proposed.