

## ATTACHMENT C

**THIS IS A DRAFT COPY ONLY AND IS NOT AN OFFICIAL COPY OF THE FINAL  
ADOPTED ORDINANCE**

### ORDINANCE G-

AN ORDINANCE RELATING TO PRIVILEGE AND EXCISE TAXATION; PROVIDING FOR AN INCREASED TAX RATE ON MULTIPLE PRIVILEGE TAX BUSINESS CLASSIFICATIONS AND THE USE TAX FROM TWO AND THREE-TENTHS PERCENT (2.3%) TO TWO AND EIGHT-TENTHS PERCENT (2.8%) AND ESTABLISHING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PHOENIX as

follows:

SECTION 1. Phoenix City Code Section 14-410 is amended to read as follows:

Sec. 14-410. Amusements, exhibitions, and similar activities.

- a. The tax rate shall be at an amount equal to two and ~~three~~ EIGHT-tenths percent (2.38%) of the gross income from the business activity upon every person engaging or continuing in the business of providing amusement that begins in the city or takes place entirely within the City, which includes the following type or nature of businesses:

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SECTION 2. Phoenix City Code Section 14-415 is amended to read as

follows:

Sec. 14-415. Construction contracting – Construction contractors.

- a. The tax rate shall be at an amount equal to two and ~~three~~ EIGHT-tenths percent (2.38%) of the gross income from the business upon every construction contractor engaging or continuing in the business activity of construction contracting within the City.

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SECTION 3. Phoenix City Code Section 14-416 is amended to read as follows:

Sec. 14-416. Construction contracting – Speculative builders.

- a. The tax shall be equal to two and ~~three~~ EIGHT-tenths percent (2.38%) of the gross income from the business activity upon every person engaging or continuing in business as a speculative builder within the City.

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SECTION 4. Phoenix City Code Section 14-417 is amended to read as follows:

Sec. 14-417. 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 ~~three~~ EIGHT-tenths percent (2.38%) of:

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SECTION 5. Phoenix City Code Section 14-425 is amended to read as follows:

Sec. 14-425. Job printing.

- a. The tax rate shall be at an amount equal to two and ~~three~~ EIGHT-tenths percent (2.38%) of the gross income from the business activity upon every person engaging or continuing in the business of job printing, which includes engraving of printing plates, embossing, copying, micrographics, and photo reproduction.

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SECTION 6. Phoenix City Code Section 14-427 is amended to read as follows:

Sec. 14-427. Manufactured buildings.

- a. The tax rate shall be at an amount equal to two and ~~three~~ EIGHT-tenths percent (2.38%) of the gross income, including site preparation, moving to the site, and/or set-up, upon every person engaging or continuing in the business activity of selling manufactured buildings within the City. Such business activity is deemed to occur at the business location of the seller where the purchaser first entered into the contract to purchase the manufactured building.

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SECTION 7. Phoenix City Code Section 14-430 is amended to read as follows:

Sec. 14-430. Timbering and other extraction.

- a. The tax rate shall be at an amount equal to two and ~~three~~ EIGHT-tenths percent (2.38%) of the gross income from the business activity upon every person engaging or continuing in the following businesses:

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SECTION 8. Phoenix City Code Section 14-435 is amended to read as follows:

Sec. 14-435. Publishing and periodicals distribution.

- a. The tax rate shall be at an amount equal to two and ~~three~~ EIGHT-tenths percent (2.38%) of the gross income from the business activity upon every person engaging or continuing in the business activity of:

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SECTION 9. Phoenix City Code Section 14-444 is amended to read as follows:

Sec. 14-144. Hotels.

The tax rate shall be at an amount equal to two and ~~three~~ EIGHT-tenths percent (2.38%) of the gross income from the business activity upon every person engaging or continuing in the business of operating a hotel charging for lodging and/or lodging space furnished to any:

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SECTION 10. Phoenix City Code Section 14-445 is amended to read as follows:

Sec. 14-445. Rental, leasing, and licensing for use of real property.

a. The tax rate shall be at an amount equal to two and ~~three~~ EIGHT-tenths percent (2.38%) of the gross income from the business activity upon every person engaging or continuing in the business of leasing or renting real property located within the City for a consideration, to the tenant in actual possession, or the licensing for use of real property to the final licensee located within the City for a consideration including any improvements, rights, or interest in such property; provided further that:

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SECTION 11. Phoenix City Code Section 14-450 is amended to read as follows:

Sec. 14-450. Rental, leasing, and licensing for use of tangible personal property.

a. The tax rate shall be at an amount equal to two and ~~three~~ EIGHT-tenths percent (2.38%) of the gross income from the business activity upon every person engaging or continuing in the business of leasing, licensing for use, or renting tangible personal property for a consideration, including that which is semi-permanently or permanently installed within the City as provided by Regulation.

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SECTION 12. Phoenix City Code Section 14-455 is amended to read as follows:

Sec. 14-455. Restaurants and bars.

- a. The tax rate shall be at an amount equal to two and ~~three~~ EIGHT-tenths percent (2.38%) of the gross income from the business activity upon every person engaging or continuing in the business of preparing or serving food or beverage in a bar, cocktail lounge, restaurant, or similar establishment where articles of food or drink are prepared or served for consumption on or off the premises, including also the activity of catering. Cover charges and minimum charges must be included in the gross income of this business activity.

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SECTION 13. Phoenix City Code Section 14-460 is amended to read as follows:

Sec. 14-460. Retail sales – Measure of tax; burden of proof; exclusions.

- a. The tax rate shall be at an amount equal to two and ~~three~~ EIGHT-tenths percent (2.38%) of the gross income from the business activity upon every person engaging or continuing in the business of selling tangible personal property at retail.

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- d. Notwithstanding the provisions of subsection (a) above, when the gross income from the sale of a single item of tangible personal property exceeds ten thousand dollars (\$10,000.00), the two and ~~three~~ EIGHT-tenths percent (2.38%) tax rate shall apply to the first \$10,000.00. For the amount greater than \$10,000.00, the measure of tax shall be at a rate of two percent (2%).

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SECTION 14. Phoenix City Code Section 14-475 is amended to read as follows:

Sec. 14-475. Transporting for hire:

The tax rate shall be an amount equal to two and ~~three~~ EIGHT-tenths percent (2.38%) of the gross income from the business activity upon every person engaging or continuing in the business of providing the following forms of transportation for hire from this City to another point within the State:

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SECTION 15. Phoenix City Code Section 14-610 is amended to read as follows:

Sec. 14-610. Use tax- Imposition of tax; presumption.

- a. There is hereby levied and imposed, subject to all other provisions of this chapter, an excise tax on the storage or use in the City of tangible personal property, for the purpose of raising revenue to be used in defraying the necessary expenses of the City, such taxes to be collected by the Tax Collector.
- b. The tax rate shall be at an amount equal to two and ~~three~~ EIGHT-tenths percent (2.38%) of the:

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- e. Notwithstanding the provisions of subsection (a) above, when the amount subject to the tax for any single item of tangible personal property exceeds ten thousand dollars (\$10,000.00), the two and ~~three~~ EIGHT-tenths percent (2.38%) tax rate shall apply to the first \$10,000.00. For the amount greater than \$10,000.00, the measure of tax shall be at a rate of two percent (2%).

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SECTION 16. The imposition of increased taxes imposed by Sections 1 through Section 15 shall be effective on and after July 1, 2025.

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PASSED by the City Council of the City of Phoenix this 18th day of March,  
2025.

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MAYOR

ATTEST:

Denise Archibald, City Clerk

APPROVED AS TO FORM:  
Julie M. Kriegh, City Attorney

BY: \_\_\_\_\_

REVIEWED BY:

Jeffrey Barton, City Manager

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