

ORDINANCE NO. 14-782

AN ORDINANCE OF THE COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, AMENDING THE CODE OF CHINO VALLEY, CHAPTER 32 FINANCE AND REVENUE, SECTION 32-25 TAX CODE, BY REPEALING SECTION 32.25-477 OPERATING A PIPELINE; AMENDING REGULATION 32.25-270.1 PROPRIETARY ACTIVITIES OF MUNICIPALITIES ARE NOT CONSIDERED ACTIVITIES OF A GOVERNMENTAL ENTITY, SUBSECTION (B); AND REPEALING REGULATION 32.25-477.1 OPERATING A PIPELINE; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE

BE IT ORDAINED BY the Common Council of the Town of Chino Valley, Arizona as follows:

Section I. In General

The Town of Chino Valley, Arizona, Town Code Chapter 32, Finance and Revenue, Section 32.25 Tax Code, is hereby amended by repealing Section 32.25-477 Operating a Pipeline; amending Regulation 32.25-270.1 Proprietary Activities of Municipalities are not Considered Activities of a Governmental Entity, Subsection (b); and repealing Regulation 32.25-477.1 Operating a Pipeline to read as follows (additions shown underlined and ALL CAPS; deletions shown in ~~strikeout~~):

Repealing Section 32.25-477 Operating a Pipeline as follows:

~~Sec. 8A-477. Operating a pipeline.~~

~~The tax rate shall be an amount equal to two percent (3%) of the gross income from the business activity upon every person engaging or continuing in the business of operating a pipeline for transporting oil, or natural or artificial gas, or water, through pipes or conduits from a point within the Town to another point in the Town or in the State.~~

Amending Regulation 32.25-270.1 Proprietary Activities of Municipalities are not Considered Activities of a Governmental Entity, Subsection (b) to read as follows:

(b) Producing, providing, or furnishing electricity, electric lights, current, power, ~~or~~ gas (natural or artificial), OR WATER to consumers or ratepayers.

Repealing Regulation 32.25-477.1 Operating a Pipeline as follows:

~~Regulation 32.25-477.1 Operating a Pipeline~~

~~A person engaged in a business within the Town of Chino Valley and subject to tax under the provisions of Section 8A 477 of the Town of Chino Valley Transaction Privilege Tax Code, shall be subject to tax as provided herein.~~

~~In connection with operating a pipeline for transporting oil, natural or artificial gas, or water through pipe or conduits from a point within the Town to another point in the Town or in the State, in calculating the measure of the tax, the gross income of the taxpayer attributable to value proceeding or accruing from the sale of property, the providing of service, or both, outside the Town shall be reduced by twenty percent (20%).~~

~~The Town Clerk hereby states that this ruling is promulgated to carry into effect the provisions of Section 8A 477 of the Transaction Privilege Tax Code of the Town of Chino Valley, Arizona, and Section 8A 500 (c), requiring the adoption of allocation formulae for the apportionment of gross income derived from or attributable to activities engaged in within and without the Town of Chino Valley.~~

~~In dealing with any matters within the scope of this ruling for periods prior to the dates of its promulgation or its effectiveness, the Town Clerk shall be guided by the principles set forth in this ruling.~~

Section II. Providing For Repeal of Conflicting Ordinances

All ordinances and parts of ordinances in conflict with the provisions of this Ordinance or any part of the Code adopted herein by reference are hereby repealed.

Section III. Providing For Severability

If any section, subsection, sentence, clause, phrase or portion of this Ordinance, or any part of the Code adopted herein by reference, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

Section IV. Effective Date

This ordinance shall be effective from and after July 1, 2014.

**PASSED AND ADOPTED** by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 25th day of March, 2014 by the following vote:

AYES:	<u>6</u>	ABSENT:	<u>1</u>
NAYS:	<u>0</u>	ABSTAINED:	<u>0</u>

APPROVED this 25th day of March, 2014.

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Chris Marley, Mayor

ATTEST:

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Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

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Curtis, Goodwin, Sullivan, Udall & Schwab, PLC  
Town Attorneys  
By: Phyllis L.N. Smiley

I, JAMI LEWIS, TOWN CLERK, DO HEREBY CERTIFY THAT A TRUE AND CORRECT COPY OF THE ORDINANCE NO. 14-782 ADOPTED BY THE COMMON COUNCIL OF THE TOWN OF CHINO VALLEY ON THE 25TH DAY OF MARCH, 2014, WAS POSTED IN THREE PLACES ON THE 26TH DAY OF MARCH, 2014.

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Jami Lewis, Town Clerk