

Town of Wellton

ORDINANCE NO. 143

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF WELLTON, ARIZONA, AMENDING THE CODE OF THE TOWN OF WELLTON, ARIZONA, CHAPTER 9 BUSINESS, ARTICLE 2 TAX CODE OF THE TOWN OF WELLTON, RELATED TO PRIVILEGE TAXES, BY INCREASING THE RATE OF TAXATION FROM A RATE OF TWO AND ONE-HALF PERCENT (2.5%) TO A RATE OF THREE AND ONE-HALF PERCENT (3.5%) AS IT RELATES TO SPECIFIC BUSINESS ACTIVITIES; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; AND PROVIDING FOR SEVERABILITY.

WHEREAS, the Town of Wellton (the "Town") relies on its allocation of State Shared Revenues as a significant source of funding for public services and Town government operations; and

WHEREAS, the U.S. Census Bureau, in its 2020 Decennial Census (the "Census"), reported a Town population of 2,375, which is significantly lower than the Town population estimate of 3,350 previously used by the State of Arizona; and

WHEREAS, the Census report will be used to calculate the Town allocation of State Shared Revenues and, as a result, the Town expects a significant reduction in this funding source; and

WHEREAS, the Town needs to replace this reduced funding to maintain services at their current levels; and

WHEREAS, an increase to the Town Privilege (sales) Tax was raised for discussion and community input at the October 5, 2021, October 19, 2021, and November 2, 2021, meetings of the Town Council; and

WHEREAS, a Notice of Intent to increase the Town's Privilege (sales) Tax was adopted during the November 9, 2021, Special Meeting of the Town Council; and

WHEREAS, the adopted Notice of Intent was posted on the Town website on November 10, 2021, and re-posted on December 27, 2021 and January 13, 2022.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Town Council of the Town of Wellton, Arizona, as follows:

Section 1. The recitals above are hereby incorporated as if fully set forth herein.

Section 2. The Code of the Town of Wellton, Arizona, Chapter 9 Business, Article 2 Tax Code of the Town of Wellton is hereby amended by amending the privilege tax rate contained in the following Sections from “an amount equal to two and one-half percent (2.5%)” to “an amount equal to three and one-half percent (3.5%):”

Section 9-2-405.	Advertising.
Section 9-2-410.	Amusements, exhibitions, and similar activities.
Section 9-2-415.	Construction contracting: construction contractors.
Section 9-2-415.1.	Liability for MRRRA amounts equal to retail transaction privilege tax due.
Section 9-2-416.	Construction contracting: speculative builders.
Section 9-2-417.	Construction contracting: owner-builders who are not speculative builders.
Section 9-2-425.	Job printing.
Section 9-2-427.	Manufactured buildings.
Section 9-2-430.	Timbering and other extraction.
Section 9-2-435.	Publishing and periodicals distribution.
Section 9-2-444.	Hotels.
Section 9-2-447.	Rental, leasing, and licensing for use of real property: additional tax upon transient lodging.
Section 9-2-450.	Rental, leasing, and licensing for use of tangible personal property.
Section 9-2-455.	Restaurants and Bars.
Section 9-2-460.	Retail sales: measure of tax; burden of proof; exclusions.
Section 9-2-470.	Telecommunication services.
Section 9-2-475.	Transporting for hire.
Section 9-2-480.	Utility services.

Section 3. All ordinances and parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

Section 4. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance 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 5. This Ordinance shall be effective from and after July 1, 2022.

Section 6. During each annual budget process, beginning on the effective date and extending through and including the year 2025, the Town manager shall prepare an assessment regarding the continuing necessity of the increased tax rate enacted herein.

Section 7. The Town Manager shall pursue a mid-decade census in 2025 and, should such census take place and reflect a significant increase in the Town’s population and entitlement to state-shared revenue as compared to 2020 Census results, the Town Manager shall prepare and calendar a draft ordinance restoring the Town’s previous tax rate of 2.5%.

(Signatures on following page)

PASSED AND ADOPTED by the Mayor and Town Council of the Town of Wellton, Arizona, this 15th day of March, 2022.




Cecilia C. McCollough, Mayor

ATTEST:



Richard Marsh, Town Manager/Town Clerk

APPROVED AS TO FORM:



Gust Rosenfeld PLC, Town Attorney
By: Andrew J. McGuire

I, RICHARD MARSH, TOWN MANAGER/TOWN CLERK, DO HEREBY CERTIFY THAT A TRUE AND CORRECT COPY OF THE ORDINANCE NO. 143 ADOPTED BY THE COMMON COUNCIL OF THE TOWN OF WELLTON, ARIZONA, ON THE 15TH DAY OF MARCH, 2022, BY A VOTE OF 5 AYES, 0 NAYS, 0 ABSENT AND 0 ABSTAINED, WAS POSTED IN THREE PLACES AND ON THE TOWN WEBSITE ON THE 22nd DAY OF March, 2022.



Richard Marsh, Town Manager/Town Clerk