

ORDINANCE NO. 2918

AN ORDINANCE OF THE COMMON COUNCIL OF THE TOWN OF GILBERT, ARIZONA, AMENDING THE TOWN TAX CODE TO INCREASE THE GENERAL TRANSACTION PRIVILEGE TAX RATE FROM ONE AND ONE-HALF (1.5%) PERCENT TO TWO PERCENT (2%); AMENDING THE TOWN TAX CODE TO INCREASE THE TRANSACTION PRIVILEGE TAX RATE OF THE ADDITIONAL TAX ON TRANSIENT LODGING TAX CLASSIFICATION FROM TWO AND EIGHT-TENTHS PERCENT (2.8%) TO FIVE PERCENT (5%); WITHDRAWING MODEL OPTION #15 TO IMPOSE A LOCAL USE TAX; SETTING A USE TAX RATE OF TWO PERCENT (2%) AND ADOPTING LOCAL OPTION #JJ; PROVIDING FOR SEVERABILITY; AND DESIGNATING AN EFFECTIVE DATE OF JANUARY 1, 2025.

NOW, THEREFORE, BE IT ORDAINED by the Common Council of the Town of Gilbert, Arizona, as follows:

Section I. Increasing TPT Rates

The tax rate provided in each of the following sections of the Town tax code is hereby increased from one and one-half percent (1.5%) to two percent (2%):

Section 58-405	Advertising.
Section 58-410	Amusements, Exhibitions, and Similar Activities.
Section 58-415	Construction Contracting: Construction Contractors.
Section 58-415.1	Liability for MRRA Amounts Equal to Retail Transaction Privilege Tax Due.
Section 58-416	Construction Contracting: Speculative Builders.
Section 58-417	Construction Contracting: Owner-Builders Who Are Not Speculative Builders.
Section 58-425	Job Printing.
Section 58-427	Manufactured Buildings.
Section 58-435	Publishing and Periodicals Distribution.
Section 58-444	Hotels.
Section 58-445	Rental, Leasing, and Licensing for Use of Real Property.
Section 58-450	Rental, Leasing, and Licensing for Use of Tangible Personal Property.
Section 58-455	Restaurants and Bars
Section 58-460	Retail Sales: Measure of Tax; Burden of Proof; Exclusions.

Section 58-462	Retail Sales: Food for Home Consumption.
Section 58-470	Telecommunication Services.
Section 58-475	Transporting for Hire.
Section 58-480	Utility Services.

Section II. Increasing the TPT Rate on Transient Lodging

The tax rate provided in Section 58-447 of the Town tax code, Additional Tax on Transient Lodging, is hereby increased from two and eight-tenths percent (2.8%) to five percent (5%).

Section III. Adopting Local Use Tax

The Town establishes a local Use Tax by withdrawing its current selection of Model Option #15 of the Model City Tax Code and thereby incorporating Article VI of the MCTC into the Town tax code. That certain document known as "The 2025 Use Tax Amendments to the Tax Code of the Town of Gilbert", three copies of which are on file in the office of the Town Clerk of the Town of Gilbert, Arizona, which document was made a public record by Resolution No.4515 of the Town of Gilbert, Arizona, is hereby referred to, adopted and made a part hereof as if fully set out in this ordinance.

Section IV. Establishing the Use Tax Rate

A tax rate of two percent (2%) is hereby provided in new Section 58-610, Use tax: imposition of tax; presumption, and Local Option #JJ of the Model City Tax Code is hereby selected providing an exemption in new Section 58-660(z), Use tax: exemptions, from the Town Use Tax for purchases made by the Town to preclude redundancy and unnecessary delay.

Section V: Severability

If any section, subsection, sentence, clause, phrase or portion of this Ordinance or any part of these amendments to the Town tax 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 VI: Effective Date

The provisions of this ordinance shall be effective on and after January 1, 2025.

PASSED AND ADOPTED by the Common Council of the Town of Gilbert, Arizona, this 22nd day of October, 2024 by the following vote:

AYES: ANDERSON, BONGIOVANNI, BUCHLI, KOPROWSKI, TILQUE, TORGESON

NAYS: PETERSON

ABSENT: \_\_\_\_\_

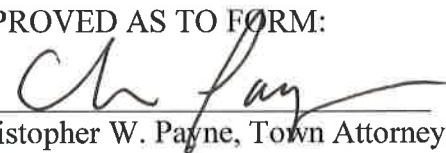
EXCUSED: \_\_\_\_\_

ABSTAINED: \_\_\_\_\_

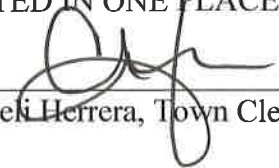
APPROVED this 22nd day of October, 2024.

  
\_\_\_\_\_  
Brigitte Peterson, Mayor

ATTEST:  
  
\_\_\_\_\_  
Chaveli Herrera, Town Clerk

APPROVED AS TO FORM:  
  
\_\_\_\_\_  
Christopher W. Payne, Town Attorney

I, CHAVELI HERRERA, TOWN CLERK, DO HEREBY CERTIFY THAT A TRUE AND CORRECT COPY OF THE ORDINANCE NO. 2918 ADOPTED BY THE COMMON COUNCIL OF THE TOWN OF GILBERT ON THE 22ND DAY OF OCTOBER, 2024, WAS POSTED IN ONE PLACE ON THE 23<sup>rd</sup> DAY OF OCTOBER, 2024.

  
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Chaveli Herrera, Town Clerk