RESOLUTION NO. 2016-25

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SEDONA, ARIZONA, APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE THE MODIFICATION TO INTERGOVERNMENTAL AGREEMENT BETWEEN THE ARIZONA DEPARTMENT OF REVENUE AND THE CITY OF SEDONA, REGARDING THE ADMINISTRATION OF TAXES IMPOSED BY THE STATE, CITIES OR TOWNS.

WHEREAS, The Arizona Department of Revenue, hereinafter referred to as Department of Revenue and City of Sedona, hereinafter referred to as City, have entered into an Intergovernmental Agreement regarding the administration of taxes imposed by the State or City dated June 23, 2015, hereinafter referred to as the IGA, and

WHEREAS, the Department of Revenue and the City/Town intend to continue with the IGA for an additional one year term in order to determine whether the general terms of the IGA meet the parties' needs, with the exception of the modifications set forth in the Modification to Intergovernmental Agreement between the State of Arizona and City of Sedona.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE COUNCIL OF THE CITY OF SEDONA, ARIZONA, THAT:

The City of Sedona, through its Mayor and Council, hereby approves the Modification to Intergovernmental Agreement between the State of Arizona and City of Sedona for the administration of transaction privilege tax, and authorizes the Mayor to execute said modification on behalf of the City of Sedona, Arizona.

PASSED AND ADOPTED by the Mayor and Council of the City of Sedona, Arizona, this 26th of July, 2016.

Sandra J. Moriarty

Sandra J. Moriarty, Mayor

ATTEST:

Susan L. Irvine

Susan L. Irvine, CMC City Clerk

APPROVED AS TO FORM:

Robert Pickels Jr., City Attorney

MODIFICATION TO INTERGOVERNMENTAL AGREEMENT BETWEEN THE STATE OF ARIZONA AND CITY OF SEDONA

WHEREAS, The Arizona Department of Revenue, hereinafter referred to as Department of Revenue and City of Sedona, hereinafter referred to as City, have entered into an Intergovernmental Agreement regarding the administration of taxes imposed by the State or City, hereinafter referred to as the IGA, and

WHEREAS, the Department of Revenue and the City intend to continue with the IGA for an additional one year term in order to determine whether the general terms of the IGA meet the parties' needs, with the exception of the modifications set forth below.

The parties agree to modify the IGA as follows effective July 1, 2016:

1. Add the following new subsection to Section 9, Collection of Municipal Taxes:

   9.6 Adjustments to Reported Taxes: If the Department of Revenue determines that a payment remitted by a taxpayer incorrectly identifies the city or town to which the payment should be made, the Department of Revenue may temporarily hold the payment until the distribution of the payment is corrected so that the appropriate city or town receives the payment.

2. Add the following new subsection to Section 9, Collection of Municipal Taxes:

   9.7 Taxpayer Rulings and Uniformity: Recognizing taxpayer written requests for interpretation of the statutes and/or the Model City Tax Code, as well as guidance regarding uniform application and interpretation of the statutes and the Model City Tax Code impact all taxing jurisdictions, and further recognizing responsibility for such rulings and interpretation of the Model City Tax Code had previously been the sole domain of the municipalities, the Department shall include at least two representatives of the municipalities as regular members of any group established to respond to such taxpayer ruling requests and to issue such uniform interpretations and guidance promulgated by the Department. Participation by the two representatives of the municipalities on any such group is limited to instances when there is an issue raised that solely involves the Model City Tax Code and/or presents an issue of first impression, including requests for private taxpayer rulings. The municipal representatives may also be consulted by the Department on information letters, or when issuing statements of general guidance. Written requests involving common questions or issues that have previously been addressed, whether unique to the Model City Tax Code or not, may be handled in the regular course of Department processes without consulting the representatives of the municipalities.

3. Amend Section 10, Financing Collection of Taxes as follows:

10. Financing Collection of Taxes.

The costs incurred by the Department in administering this Agreement shall be financed through the State general fund appropriation to the Department. This provision does not relieve City of any financial obligation imposed by statute.

4. Amend subsection 28.1 of Section 28, Duration, relating to automatic renewal of the agreement as follows:

28.1 The term of this Agreement shall be from July 1 through June 30 of each year. This Agreement shall automatically be renewed for successive one year terms thereafter unless either party shall terminate this Agreement by notice, in writing, no later than sixty calendar days prior to the expiration of the term then in effect. Any agreed upon modifications to the terms and conditions of this agreement shall be incorporated to be effective during the term identified by the review committee provided for in section 28.5.

5. Amend subsection 28.5 of Section 28, Duration, relating to annual review of the agreement as follows:

28.5 During the term of this Agreement, the terms and conditions of this Agreement will undergo an annual review to be initiated no later than June 1st of each year. The review will be performed by a committee made up of equal parts representatives of the Department and representatives of the municipal taxing jurisdictions entering into an IGA with the Department for the administration and collection of Municipal Taxes.

Signature Authority.

By signing below, the signer certifies that he or she has the authority to enter into this Agreement and has read the foregoing and agrees to accept the provisions herein. This modification may be executed in counterparts.

	Sandra J Moriarty 8/1/16
Signature Date	Signature Date Sandra J. Moriarty, Mayor
Typed Name and Title	Typed Name and Title City of Sedona

Entity Name	Entity Name
RESERVED FOR THE ATTORNEY GENERAL:	**RESERVED FOR CITY ATTORNEY:**
Attorney General no. _____, which is an agreement between public agencies, has been reviewed pursuant to A.R.S. § 11-952 by the undersigned Assistant Attorney General who has determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the Arizona Department of Revenue represented by the Attorney General. **MARK BRNOVICH** The Attorney General _____ Signature Assistant Attorney General Date: _____	APPROVED AS TO FORM AND AUTHORITY: BY: _____ Robert Pickels Jr., CITY ATTORNEY Date: _____