

#10

Broadway - Fwd: City of Tucson Tax Information

From: Jennifer Burdick
To: Broadway
Date: 8/23/2012 10:41 PM
Subject: Fwd: City of Tucson Tax Information
Attachments: City of Tucson_BroadwayBusinesses_072412.xls; Divulging of Information.doc

>>> On 7/25/2012 at 1:29 PM, mark crum <mark.crum115@gmail.com> wrote:

Jenn,

As promised, the attached
is for your information.

Happy trails,

Mark

----- Forwarded message -----

From: **Pam Reinke** <Pam.Reinke@tucsonaz.gov>

Date: Tue, Jul 24, 2012 at 3:39 PM

Subject: City of Tucson Tax Information

To: Mark.Crum115@gmail.com

Mark,

Attached is a spreadsheet with the tax and business license information. The Word document has the code sections regarding divulging of information. Please let me know if you need any additional information. I will be in the office this week until 11:30 AM Thursday morning.

Pam Reinke

Finance Manager, Revenue Division

City of Tucson

[\(520\) 791-4080](tel:(520)791-4080)

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Pam.Reinke@tucsonaz.gov

City of Tucson, Revenue Division
2011 Calendar year reported tax data on Broadway from Euclid to Country Club

North Side Businesses					South Side Businesses				
Business Activity	Businesses Reporting	City Tax Amount	State Tax Amount	County Tax Amount	Businesses Reporting	City Tax Amount	State Tax Amount	County Tax Amount	
Job Printing	1				1				
Restaurant	6				12	\$193,929.77	\$639,968.24	\$48,482.44	
Amusements	2				4				
Rental - Real Property	29	\$51,499.41	\$0.00	\$12,874.85	39	\$76,037.07	\$0.00	\$19,009.27	
Rental - Tangible Property	3				1				
Construction Contracting	4				6				
Retail	33	\$55,835.18	\$184,256.09	\$13,958.80	35	\$209,486.54	\$691,305.58	\$52,371.64	
Pawn, Secondhand Stores	1				1				
Use Tax	3				4				
Other Activities		\$68,726.00	\$226,248.00	\$17,140.01		\$21,062.54	\$69,422.63	\$5,259.30	
Total Paying	82	\$176,060.59	\$410,504.09	\$43,973.66	103	\$500,515.92	\$1,400,696.45	\$125,122.65	
Total Active Businesses	146				229				

Some businesses in the above totals may be reporting under multiple Business Activities.

The businesses listed above have a current active tax license within the City license system. Some businesses report a \$0 return and will not be calculated in the businesses reporting total above. This will account for the difference in total numbers reporting. Other licensed businesses may not owe sales tax because their income is not subject to sales tax.

The calculation of State and County tax is based on City tax paid by the businesses. The City tax rate is 2%, the State tax rate is 6.6%, and the County tax rate is 0.5%. Exceptions: The State tax rate for the rental of real property is 0.00%. The City tax rate for Pawnbrokers is \$1.00 per transaction and the State and County do not have an equivalent tax.

Except for Construction Contracting business activity, businesses pay tax to the city based on their business location. The Construction Contracting activity reports tax based on the job location.

Per City of Tucson Tax Code, Section 19-510, and Arizona Revised Statutes, 42-2002, the amount of taxes paid by individual businesses can not be divulged. For any business activity with less than ten businesses, the tax is included in the Other Activities total.

Prepared July 24, 2012

As of 07/24/12

City of Tucson Tax Code, Chapter 19

Sec. 19-510. Divulging of information prohibited; exceptions allowing disclosure.

- (a) Except as specifically provided, it shall be unlawful for any official or employee of the city to make known information obtained pursuant to this article concerning the business financial affairs or operations of any person.
- (b) The city council may authorize an examination of any return or audit of a specific taxpayer made pursuant to this article by authorized agents of the federal government, the state, or any political subdivisions.
- (c) The tax collector may provide to an Arizona county, city or town any information concerning any taxes imposed in this article relative to the taxing ordinances of that county, city or town.
- (d) Successors, receivers, trustees, personal representatives, executors, guardians, administrators, and assignees, if directly interested, may be given information by the tax collector as to the items included in the measure and amounts of any unpaid tax, interest and penalties required to be paid.
- (e) Upon a written direction by the city attorney or other legal advisor to the city designated by the city council, officials or employees of the city may divulge the amount and source of income, profits, leases or expenditures disclosed in any return or report, and the amount of such delinquent and unpaid tax, penalty or interest, to a private collection agency having a written collection agreement with the city.
- (f) The tax collector may provide information to appropriate representatives of any Arizona city or town to comply with the provisions of A.R.S. section 42-6003, A.R.S. section 42-6005, and A.R.S section 42-6056.
- (g) The tax collector may provide information to authorized agents of any other Arizona governmental agency involving the allocation of taxes imposed by section 19-435 upon publishing and distribution of periodicals.
- (h) The tax collector may provide information regarding the enforcement and collection of taxes imposed by this article to any governmental agency with which the city has an agreement.

(Ord. No. 6674, § 3, 3-23-87; Ord. No. 9569, § 1, 6-18-01)

Arizona Revised Statutes

42-2002. Disclosure of confidential information prohibited

A. A person, including a former employee or agent of the department or the office of administrative hearings or a person previously having an administrative duty for the department or the office of administrative hearings, who has received confidential information while an employee or agent of the department or the office of administrative hearings, while performing an administrative duty for the department or the office of administrative hearings, shall not disclose that information except as provided in this article.

B. A person who has received confidential information pursuant to an exception under section 42-2003, subsection B or H shall not disclose that information except as provided in this article.

C. Confidential information may not be disclosed relating to applications for cannabis or controlled substance tax licenses or payments under prior law.

D. Confidential information shall not be disclosed if the department determines that disclosure would seriously impair any civil or criminal tax investigation or if the disclosure would be contrary to section 6103(d), 6103(p)(8) or 7213 of the internal revenue code.

42-2003. Authorized disclosure of confidential information

A. Confidential information relating to:

1. A taxpayer may be disclosed to the taxpayer, its successor in interest or a designee of the taxpayer who is authorized in writing by the taxpayer. A principal corporate officer of a parent corporation may execute a written authorization for a controlled subsidiary.
2. A corporate taxpayer may be disclosed to any principal officer, any person designated by a principal officer or any person designated in a resolution by the corporate board of directors or other similar governing body.
3. A partnership may be disclosed to any partner of the partnership. This exception does not include disclosure of confidential information of a particular partner unless otherwise authorized.
4. An estate may be disclosed to the personal representative of the estate and to any heir, next of kin or beneficiary under the will of the decedent if the department finds that the heir, next of kin or beneficiary has a material interest which will be affected by the confidential information.
5. A trust may be disclosed to the trustee or trustees, jointly or separately, and to the grantor or any beneficiary of the trust if the department finds that the grantor or beneficiary has a material interest which will be affected by the confidential information.
6. Any taxpayer may be disclosed if the taxpayer has waived any rights to confidentiality either in writing or on the record in any administrative or judicial proceeding.

7. The name and taxpayer identification numbers of persons issued direct payment permits may be publicly disclosed.

B. Confidential information may be disclosed to:

1. Any employee of the department whose official duties involve tax administration.
2. The office of the attorney general solely for its use in preparation for, or in an investigation which may result in, any proceeding involving tax administration before the department or any other agency or board of this state, or before any grand jury or any state or federal court.
3. The department of liquor licenses and control for its use in determining whether a spirituous liquor licensee has paid all transaction privilege taxes and affiliated excise taxes incurred as a result of the sale of spirituous liquor, as defined in section 4-101, at the licensed establishment and imposed on the licensed establishments by this state and its political subdivisions.
4. Other state tax officials whose official duties require the disclosure for proper tax administration purposes if the information is sought in connection with an investigation or any other proceeding conducted by the official. Any disclosure is limited to information of a taxpayer who is being investigated or who is a party to a proceeding conducted by the official.
5. The following agencies, officials and organizations, if they grant substantially similar privileges to the department for the type of information being sought, pursuant to statute and a written agreement between the department and the foreign country, agency, state, Indian tribe or organization:
 - (a) The United States internal revenue service, alcohol and tobacco tax and trade bureau of the United States treasury, United States bureau of alcohol, tobacco, firearms and explosives of the United States department of justice, United States drug enforcement agency and federal bureau of investigation.
 - (b) A state tax official of another state.
 - (c) An organization of states, federation of tax administrators or multistate tax commission that operates an information exchange for tax administration purposes.
 - (d) An agency, official or organization of a foreign country with responsibilities that are comparable to those listed in subdivision (a), (b) or (c) of this paragraph.
 - (e) An agency, official or organization of an Indian tribal government with responsibilities comparable to the responsibilities of the agencies, officials or organizations identified in subdivision (a), (b) or (c) of this paragraph.
6. The auditor general, in connection with any audit of the department subject to the restrictions in section 42-2002, subsection D.
7. Any person to the extent necessary for effective tax administration in connection with:
 - (a) The processing, storage, transmission, destruction and reproduction of the information.
 - (b) The programming, maintenance, repair, testing and procurement of equipment for purposes of tax administration.
 - (c) The collection of the taxpayer's civil liability.

8. The office of administrative hearings relating to taxes administered by the department pursuant to section 42-1101, but the department shall not disclose any confidential information:
 - (a) Regarding income tax, withholding tax or estate tax.
 - (b) On any tax issue relating to information associated with the reporting of income tax, withholding tax or estate tax.
9. The United States treasury inspector general for tax administration for the purpose of reporting a violation of internal revenue code section 7213A (26 United States Code section 7213A), unauthorized inspection of returns or return information.
10. The financial management service of the United States treasury department for use in the treasury offset program.
11. The United States treasury department or its authorized agent for use in the state income tax levy program and in the electronic federal tax payment system.
12. The Arizona commerce authority for its use in:
 - (a) Qualifying motion picture production companies for the tax incentives provided for motion picture production under chapter 5 of this title and sections 43-1075 and 43-1163.
 - (b) Qualifying applicants for the motion picture infrastructure project tax credits under sections 43-1075.01 and 43-1163.01.
 - (c) Qualifying renewable energy operations for the tax incentives under sections 42-12006, 43-1083.01 and 43-1164.01.
 - (d) Fulfilling its annual reporting responsibility pursuant to section 41-1511, subsections U and V and section 41-1517, subsections S and T.
13. A prosecutor for purposes of section 32-1164, subsection C.
14. The state fire marshal for use in determining compliance with and enforcing title 41, chapter 16, article 3.1.
15. The department of transportation for its use in administering taxes and surcharges prescribed by title 28.

C. Confidential information may be disclosed in any state or federal judicial or administrative proceeding pertaining to tax administration pursuant to the following conditions:

1. One or more of the following circumstances must apply:
 - (a) The taxpayer is a party to the proceeding.
 - (b) The proceeding arose out of, or in connection with, determining the taxpayer's civil or criminal liability, or the collection of the taxpayer's civil liability, with respect to any tax imposed under this title or title 43.
 - (c) The treatment of an item reflected on the taxpayer's return is directly related to the resolution of an issue in the proceeding.
 - (d) Return information directly relates to a transactional relationship between a person who is a party to the proceeding and the taxpayer and directly affects the resolution of an issue in the proceeding.
2. Confidential information may not be disclosed under this subsection if the disclosure is prohibited by section 42-2002, subsection C or D.

D. Identity information may be disclosed for purposes of notifying persons entitled to tax refunds if the department is unable to locate the persons after reasonable effort.

E. The department, upon the request of any person, shall provide the names and addresses of bingo licensees as defined in section 5-401, verify whether or not a person has a privilege license and number, a distributor's license and number or a withholding license and number or disclose the information to be posted on the department's website or otherwise publicly accessible pursuant to section 42-1124, subsection F and section 42-3201, subsection A.

F. A department employee, in connection with the official duties relating to any audit, collection activity or civil or criminal investigation, may disclose return information to the extent that disclosure is necessary to obtain information which is not otherwise reasonably available. These official duties include the correct determination of and liability for tax, the amount to be collected or the enforcement of other state tax revenue laws.

G. If an organization is exempt from this state's income tax as provided in section 43-1201 for any taxable year, the name and address of the organization and the application filed by the organization upon which the department made its determination for exemption together with any papers submitted in support of the application and any letter or document issued by the department concerning the application are open to public inspection.

H. Confidential information relating to transaction privilege tax, use tax, severance tax, jet fuel excise and use tax and rental occupancy tax may be disclosed to any county, city or town tax official if the information relates to a taxpayer who is or may be taxable by the county, city or town. Any taxpayer information released by the department to the county, city or town:

1. May only be used for internal purposes.
2. May not be disclosed to the public in any manner that does not comply with confidentiality standards established by the department. The county, city or town shall agree in writing with the department that any release of confidential information that violates the confidentiality standards adopted by the department will result in the immediate suspension of any rights of the county, city or town to receive taxpayer information under this subsection.

I. The department may disclose statistical information gathered from confidential information if it does not disclose confidential information attributable to any one taxpayer. The department may disclose statistical information gathered from confidential information, even if it discloses confidential information attributable to a taxpayer, to:

1. The state treasurer in order to comply with the requirements of section 42-5029, subsection A, paragraph 3.

2. The joint legislative income tax credit review committee and the joint legislative budget committee staff in order to comply with the requirements of section 43-221.

J. The department may disclose the aggregate amounts of any tax credit, tax deduction or tax exemption enacted after January 1, 1994. Information subject to disclosure under this subsection shall not be disclosed if a taxpayer demonstrates to the department that such information would give an unfair advantage to competitors.

K. Except as provided in section 42-2002, subsection C, confidential information, described in section 42-2001, paragraph 2, subdivision (a), item (iii), may be disclosed to law enforcement agencies for law enforcement purposes.

L. The department may provide transaction privilege tax license information to property tax officials in a county for the purpose of identification and verification of the tax status of commercial property.

M. The department may provide transaction privilege tax, luxury tax, use tax, property tax and severance tax information to the ombudsman-citizens aide pursuant to title 41, chapter 8, article 5.

N. Except as provided in section 42-2002, subsection D, a court may order the department to disclose confidential information pertaining to a party to an action. An order shall be made only upon a showing of good cause and that the party seeking the information has made demand upon the taxpayer for the information.

O. This section does not prohibit the disclosure by the department of any information or documents submitted to the department by a bingo licensee. Before disclosing the information the department shall obtain the name and address of the person requesting the information.

P. If the department is required or permitted to disclose confidential information, it may charge the person or agency requesting the information for the reasonable cost of its services.

Q. Except as provided in section 42-2002, subsection D, the department of revenue shall release confidential information as requested by the department of economic security pursuant to section 42-1122 or 46-291. Information disclosed under this subsection is limited to the same type of information that the United States internal revenue service is authorized to disclose under section 6103(l)(6) of the internal revenue code.

R. Except as provided in section 42-2002, subsection D, the department of revenue shall release confidential information as requested by the courts and clerks of the court pursuant to section 42-1122.

S. To comply with the requirements of section 42-5031, the department may disclose to the state treasurer, to the county stadium district board of directors and to any city or town tax official that is part of the county stadium district confidential information attributable to a taxpayer's business activity conducted in the county stadium district.

T. The department shall release confidential information as requested by the attorney general for purposes of determining compliance with and enforcing section 44-7101, the master settlement agreement referred to therein and subsequent agreements to which the state is a party that amend or implement the master settlement agreement. Information disclosed under this subsection is limited to luxury tax information relating to tobacco manufacturers, distributors, wholesalers and retailers and information collected by the department pursuant to section 44-7101(2)(j).

U. For proceedings before the department, the office of administrative hearings, the board of tax appeals or any state or federal court involving penalties that were assessed against a return preparer, an electronic return preparer or a payroll service company pursuant to section 42-1103.02, 42-1125.01 or 43-419, confidential information may be disclosed only before the judge or administrative law judge adjudicating the proceeding, the parties to the proceeding and the parties' representatives in the proceeding prior to its introduction into evidence in the proceeding. The confidential information may be introduced as evidence in the proceeding only if the taxpayer's name, the names of any dependents listed on the return, all social security numbers, the taxpayer's address, the taxpayer's signature and any attachments containing any of the foregoing information are redacted and if either:

1. The treatment of an item reflected on such return is or may be related to the resolution of an issue in the proceeding.
2. Such return or return information relates or may relate to a transactional relationship between a person who is a party to the proceeding and the taxpayer which directly affects the resolution of an issue in the proceeding.
3. The method of payment of the taxpayer's withholding tax liability or the method of filing the taxpayer's withholding tax return is an issue for the period.

V. The department may disclose to the attorney general confidential information received under section 44-7111 and requested by the attorney general for purposes of determining compliance with and enforcing section 44-7111. The department and attorney general shall share with each other the information received under section 44-7111, and may share the information with other federal, state or local agencies only for the purposes of enforcement of section 44-7101, section 44-7111 or corresponding laws of other states.

W. The department may provide the name and address of qualifying hospitals and qualifying health care organizations, as defined in section 42-5001, to a

business classified and reporting transaction privilege tax under the utilities classification.