



*Douglas A. Ducey*  
**Governor**

*Carlton Woodruff*  
**Interim Director**

# MTCC

## Municipal Tax Code Commission

February 22, 2019, 10:00 A.M.

Arizona State House of Representatives  
1700 W. Washington, Hearing Room 3  
Phoenix, Arizona 85007

### AGENDA - revised

1. Introduction of MTCC members
2. Call to the public/taxpayer comments
  - This is an opportunity for members of the public or an interested taxpayer to present comments on an issue or concern under the purview of the MTCC that is not on this agenda. Commission members may ask questions and seek explanations from both speakers and city representatives and may refer items to a later agenda, but the commission cannot take action at this meeting.
3. “2019 Speculative Builder Amendment” with an effective date of April 1, 2019, presented by Lee Grafstrom, Tax Policy Analyst for the League of Arizona Cities and Towns
  - Section I: Amends Sec. 416, Construction contracting: speculative builders.
  - Section II: Adds Sec. 416.1, Speculative builders: homeowner's bona fide non-business sale of a family residence; repealing and replacing Reg. 416.1, same title.
  - Section III: Adds Sec. 416.2, Reconstruction contracting; repealing and replacing Reg. 416.2, same title.
4. “2019 Retail Conformity Amendment” with an effective date of April 1, 2019, presented by Lee Grafstrom, Tax Policy Analyst for the League of Arizona Cities and Towns
  - Section I: Amends Sec. 100, General definitions.
  - Section II: Adds Sec. 100.1, Brokers; repealing and replacing Reg. 100.1, same title.
  - Section III: Adds Sec. 100.2, Delivery, installation, or other direct customer services; repealing and replacing Reg. 100.2, same title.
  - Section IV: Adds Sec. 100.3, Retailers; repealing and replacing Reg. 100.3, same title.
  - Section V: Adds Sec. 100.4, Out-of-City/Out-of-State Sales: Sales to Native

Americans; repealing and replacing Reg. 100.4, same title.

- Section VI: Adds Sec. 100.5, Remediation Contracting; repealing and replacing Reg. 100.6, same title.
  - Section VII: Amends Sec. 110, Definitions: Income-producing capital equipment.
  - Section VIII: Repeals Section 280, Exclusion of transactions with specified governmental agencies.
  - Section IX: Amends Sec. 460, Retail sales: measure of tax; burden of proof; exclusions; repeals Reg. 460.3, Retail sales: membership fees; repeals Reg. 460.6, Retail sales: consignment sales.
  - Section X: Amends Sec. 462, Retail sales: food for home consumption.
  - Section XI: Amends Sec. 465, Retail sales: exemptions.
  - Section XII: Repeals Regulation 465.4, Retail sales: aircraft acquired for use outside the State.
  - Section XIII: Amends Sec. 660, Use tax: exemptions
5. Resolution: Consideration and appointment of an official designee charged with responding to requests for rulings and interpretations of the Model City Tax Code on behalf of the Commission
  6. Comments from attendees and the public
  7. Meeting Adjourned