

ORDINANCE NO. O2024-014

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUMA, ARIZONA, AMENDING TITLE 7 OF THE YUMA CITY CODE ADDING REGULATION OF SHORT-TERM RENTALS (VACATION RENTALS) IN A MANNER CONSISTENT WITH ARIZONA REVISED STATUTES; PROVIDING PENALTIES FOR VIOLATION THEREOF; AND PROVIDING FOR SEVERABILITY

WHEREAS, through Arizona Revised Statutes (A.R.S.) Section 9-500.39, the Arizona Legislature largely preempts local city and town councils from restricting the use of or regulating aspects of short-term rentals/vacation rentals (STR) based on STR's classification, use, or occupancy within the jurisdiction except as set forth in that State statute; and,

WHEREAS, the State tax statutes in Title 42 of the A.R.S. including, but not limited to A.R.S. § 42-5070, and Article IV: Privilege Taxes of the Model City Tax Code (MCTC) both classify and regulate STRs as transient lodging/hotels/motels for tax purposes making STR stays subject to all taxes and rates applicable to hotels, motels, or other transient lodging operations within each jurisdiction; and,

WHEREAS, A.R.S. § 42-5042 requires owners of STRs to obtain a State of Arizona Transaction Privilege Tax (TPT) License and remit appropriate State taxes for each rental transaction; and,

WHEREAS, A.R.S. § 9-500.39(B)(5) allows local jurisdictions to require owners of STRs to obtain and maintain a local business license and/or a STR regulatory permit; and,

WHEREAS, Arizona law and the State of Arizona Department of Revenue (AZDOR) regulations currently require owners or operators of STRs to display the State TPT License number on all advertisements for the STR, including through an Online Lodging Marketplace (OLM) or other type of digital platform, or through a property management company; and,

WHEREAS, A.R.S. § 9-500.39(B)(7) allows local jurisdictions to also require owners of STRs to display the local business license number/STR regulatory permit number on all advertisements for the STR, including on an OLM or other type of digital platform, or through a property management company; and,

WHEREAS, State law requires OLM or property management companies to remit State and local taxes pursuant to regulations promulgated by the (AZDOR); and,

WHEREAS, following State statutes and State AZDOR regulations treats STRs the same as other hotel/motel/transient lodging operations.

NOW, THEREFORE BE IT ORDAINED, by the City Council of the City of Yuma as follows:

SECTION 1: In General,

A certain document titled, “*Regulation of Short-Term Rentals (Vacation Rentals), Amending Title 7: Business Regulations of the Yuma City Code to add a new Chapter 77: Short-Term Rentals (STRs)*” attached as Exhibit “A” is declared to be a public record pursuant to A.R.S. § 9-802. Exhibit A shall be on file at the Yuma City Clerk’s Office, with one (1) paper copy and (1) electronic copy maintained in compliance with A.R.S. § 44-7041 and kept available for public use and inspection.

SECTION 2: Exhibit A is hereby adopted by reference in its entirety as Chapter 77 of the Yuma City Code.

SECTION 3: It shall be unlawful for any person, firm, or corporation to violate, or cause the violation of, any provision of this ordinance. Any person, firm, or corporation violating any of the provisions in this ordinance shall be guilty of a class 1 misdemeanor, and upon conviction thereof shall be punished by a fine not to exceed \$1,000.00 or by imprisonment for not more than ten (10) days or both fine and imprisonment. Each separate day or part thereof during which any violation of sections of this ordinance occurs or continues to occur shall be deemed to constitute a separate offense, and upon conviction thereof shall be punishable as provided by this section.

Adopted this _____ day of _____, 2024.

APPROVED:

Douglas J. Nicholls
Mayor

ATTESTED:

Lynda L. Bushong
City Clerk

APPROVED AS TO FORM:

Richard W. Files
City Attorney