

State of Arizona
House of Representatives
Forty-fifth Legislature
First Regular Session
2001

HOUSE BILL 2558

AN ACT

AMENDING SECTION 44-1302, ARIZONA REVISED STATUTES; RELATING TO WASTE TIRE DISPOSAL.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 44-1302, Arizona Revised Statutes, is amended to
3 read:

4 44-1302. Sale of new tires; fees; acceptance of waste tires;
5 notice; definition

6 A. A retail seller of new motor vehicle tires shall collect a fee of
7 two per cent of the purchase price for each tire sold but not more than two
8 dollars **FIFTY CENTS** for each tire sold, which shall be listed separately on
9 any invoice.

10 B. If in a sale of a motor vehicle by a manufacturer to a wholesaler
11 or retailer the cost of the tires as a separate component of the motor
12 vehicle is not specified by the manufacturer, the fee per tire to be
13 collected shall not exceed one-half of the maximum fee permitted under this
14 section for a motor vehicle with a gross vehicle weight under ten thousand
15 pounds.

16 C. A wholesale seller of new motor vehicle tires who sells tires to
17 this state or a political subdivision of this state or who sells tires to a
18 private entity which does not resell the tires shall collect a fee of two per
19 cent of the purchase price for each tire sold but not more than two dollars
20 **FIFTY CENTS** for each tire sold, which shall be listed separately on any
21 invoice.

22 D. The fee shall be paid to the department of revenue for deposit on a
23 quarterly basis in the waste tire fund established pursuant to section
24 44-1305. Unless the context otherwise requires, title 42, chapter 5, article
25 1 governs the administration of the fees imposed by this section, except
26 that:

27 1. A separate license is not required for the fee imposed by this
28 section. The fee shall be reported and paid on forms prescribed by the
29 department.

30 2. A separate bond is not required of employees of the department in
31 administering the fee.

32 3. The fee imposed by this section may be included without segregation
33 in any notice and lien filed for unpaid transaction privilege taxes.

34 4. The fee imposed by this section shall not be included in computing
35 the tax base, gross proceeds of sales or gross income from the sale of new
36 motor vehicle tires for the purposes of title 42, chapter 5 and is not
37 subject to any transaction privilege, sales, use or other similar tax levied
38 by a city, town, ~~or~~ or special taxing district.

39 E. A retail seller of new motor vehicle tires or a wholesale seller of
40 new motor vehicle tires shall accept waste tires from customers at the point
41 of transfer. A seller shall accept up to the number of new tires sold at
42 that point of transfer annually and may accept additional tires from
43 customers. The seller shall accept tires from a customer if the customer
44 presents a receipt within thirty days of the date of purchase. This
45 subsection does not apply to sellers of new motor vehicles.

1 F. A designated waste tire collection site established pursuant to
2 section 44-1304, subsection G, shall require a manifest for the disposal of
3 waste tires at the site and shall establish registration procedures for the
4 collection site.

5 G. A seller of motor vehicle tires or the seller's designee complying
6 with this section shall provide a manifest to the designated collection site
7 established pursuant to section 44-1304, subsection G, to dispose of waste
8 tires and shall be preregistered at the designated collection site.

9 H. A county or private enterprise under contract with a county may
10 refuse to accept waste tires and may impose a tire tipping fee, not exceeding
11 an amount necessary to recover the costs of administering a waste tire
12 program established pursuant to section 44-1305, if any of the following
13 conditions exists:

14 1. The private enterprise is not receiving waste tire fund monies from
15 the county pursuant to section 44-1305.

16 2. Waste tires are manifested as originating outside of the county.

17 3. A seller of motor vehicle tires complying with subsection E of this
18 section, ~~is~~ is not preregistered at a collection site where registration is
19 required.

20 4. The county's pro rata share of the total waste tire fund is two per
21 cent or less, and after a year of receiving monies from the waste tire fund,
22 the county determines that the cost of waste tire disposal exceeds the amount
23 received.

24 I. A designated waste tire collection site established pursuant to
25 section 44-1304, subsection G, shall not refuse to accept waste tires from a
26 resident of the county who is not a seller of motor vehicle tires and shall
27 not impose a tire tipping fee for up to five waste tires per year from a
28 resident of the county who is not a seller of motor vehicle tires. Such
29 waste tire collection sites may impose a tire tipping fee on waste tires in
30 excess of five tires per year from a resident of the county who is not a
31 seller of motor vehicle tires.

32 J. A seller of motor vehicle tires who is subject to subsection E of
33 this section shall post a written notice which is clearly visible in the
34 public sales area of the establishment and which contains the following
35 language:

36 "It is unlawful to throw away a motor vehicle tire.

37 Recycle all used tires.

38 This retailer is required to accept scrap tires if any new
39 or recapped tires are purchased here. When any new tire is
40 purchased, an additional fee will be charged."

41 K. An advertisement or other printed promotional material related to
42 the retail sale of tires shall contain the following notice in bold print:

43 "State or local taxes or surcharges for environmental
44 protection will be an extra charge."

1 L. A credit of ten cents per tire is allowed against the fee imposed
2 by this article for expenses incurred by the payer of the fee for accounting
3 for and reporting the fees.

4 M. This section does not apply to a person whose retail sales of new
5 motor vehicle tires are not in the ordinary course of business.

6 N. For purposes of this section, "retail seller of new motor vehicle
7 tires" and "wholesale seller of new motor vehicle tires" includes those
8 persons who sell or lease new motor vehicles to others in the ordinary course
9 of business.

10 Sec. 2. Waste tire funding study committee; report

11 A. The waste tire funding study committee is established consisting of
12 the following persons:

13 1. Three members of the house of representatives who are appointed by
14 the speaker of the house of representatives, not more than two of whom are
15 members of the same political party.

16 2. Three members of the senate who are appointed by the president of
17 the senate, not more than two of whom are members of the same political
18 party.

19 B. The waste tire funding study committee shall gather information on
20 the number of new motor vehicle tires that are sold at retail in each county,
21 the number of waste tires that are collected at each waste tire collection
22 site in each county, the possible sources of the waste tires that are
23 collected in each county and the current system for distributing monies to
24 counties from the waste tire fund.

25 C. The waste tire funding study committee shall make a report of its
26 findings and submit that report, including any recommendations for
27 legislative changes in the waste tire funding system, to the president of the
28 senate and the speaker of the house of representatives and shall provide a
29 copy of the report to the secretary of state and the director of the Arizona
30 state library, archives and public records no later than November 1, 2001.

31 Sec. 3. Repeal

32 Section 2 of this act, relating to the waste tire funding study
33 committee, is repealed on February 1, 2002.

34 Sec. 4. Requirements for enactment; two-thirds vote

35 Pursuant to article IX, section 22, Constitution of Arizona, this act
36 is effective only on the affirmative vote of at least two-thirds of the
37 members of each house of the legislature and is effective immediately on the
38 signature of the governor or, if the governor vetoes this act, on the
39 subsequent affirmative vote of at least three-fourths of the members of each
40 house of the legislature.