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REFERENCE TITLE: food tax; definition; clarification

State of Arizona
Senate
Forty-fifth Legislature
Second Regular Session
2002

SB 1106

Introduced by
Senator Bundgaard

AN ACT

AMENDING SECTION 42-5101, ARIZONA REVISED STATUTES; RELATING TO TAX EXEMPTIONS FOR SALES OF FOOD.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 42-5101, Arizona Revised Statutes, is amended to
3 read:

4 42-5101. Definitions

5 In this article, unless the context otherwise requires:

6 1. "Eligible grocery business" means an establishment whose sales of
7 food are such that it is eligible to participate in the food stamp program
8 established by the food stamp act of 1977 (P.L. 95-113; 91 Stat. 958; 7
9 United States Code sections 2011 through 2029), according to regulations in
10 effect on January 1, 1979. An establishment is deemed eligible to
11 participate in the food stamp program if it is authorized to participate in
12 the program by the United States department of agriculture food and nutrition
13 service field office on July 1, 1980 or if, prior to a reporting period for
14 which the return is filed, such retailer proves to the satisfaction of the
15 department of revenue that the establishment, based on the nature of the
16 retailer's food sales, could be eligible to participate in the food stamp
17 program established by the food stamp act of 1977 according to regulations in
18 effect on January 1, 1979.

19 2. "Facilities for the consumption of food" means tables, chairs,
20 benches, booths, stools, counters and similar conveniences, trays, glasses,
21 dishes or other tableware and parking areas for the convenience of in-car
22 consumption of food in or on the premises on which the retailer conducts his
23 business.

24 3. "Food" means any food item intended for human consumption ~~which~~
25 ~~THAT~~ is intended for home consumption as defined by rules adopted by the
26 department pursuant to section 42-5106.

27 4. "Food for consumption on the premises" includes:

28 (a) Hot prepared food.

29 (b) Hot or cold sandwiches. ~~COLD SANDWICHES DOES NOT INCLUDE COLD~~
30 ~~SANDWICHES THAT ARE PACKAGED IN A MANNER THAT PRODUCES A SHELF LIFE OF AT~~
31 ~~LEAST TWENTY-FOUR HOURS OR COLD SANDWICHES THAT ARE NOT PREPARED OR MODIFIED~~
32 ~~CONTEMPORANEOUSLY BY THE VENDOR WITH THE CONSUMER'S ORDER.~~

33 (c) Food served by an attendant to be eaten at tables, chairs,
34 benches, booths, stools, counters and similar conveniences and within parking
35 areas for the convenience of in-car consumption of food.

36 (d) Food served with trays, glasses, dishes or other tableware.

37 (e) Beverages sold in cups, glasses, ~~or~~ or open containers.

38 (f) Food sold by caterers.

39 (g) Food sold within the premises of theaters, movies, operas, shows
40 of any type or nature, exhibitions, concerts, carnivals, circuses, amusement
41 parks, fairs, races, contests, games, athletic events, rodeos, billiard and
42 pool parlors, bowling alleys, public dances, dance halls, boxing, wrestling
43 and other matches and any business ~~which~~ ~~THAT~~ charges admission, entrance or
44 cover fees for exhibition, amusement or entertainment.

1 (h) Any items contained in subdivisions (a) through (g) of this
2 paragraph even though they are sold on a take-out or to go basis, and whether
3 or not the item is packaged, is wrapped or is actually taken from the
4 premises.

5 5. "Hot prepared food" includes those products, items or ingredients
6 of food ~~which~~ THAT are prepared and intended for sale in a heated
7 condition. Hot prepared food includes a combination of hot and cold food
8 items or ingredients if a single price has been established.

9 6. "Premises" means the total space and facilities in or on which a
10 retailer conducts his business and ~~which~~ THAT are owned or controlled, in
11 whole or in part, by a retailer or ~~which~~ THAT are made available for the use
12 of customers of the retailer or group of retailers, including any building or
13 part of a building, parking lot or grounds.