

NEWS

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Merry Christmas from the City of Tucson: Renters, You Get a New Tax!

City of Tucson proposes new tax on renters ten days before Christmas

Tucson, AZ – Renters in the City of Tucson are outraged over a new tax being proposed by City staff as part of a mid-year budget fix. The tax proposal, which was unveiled the public just ten days before Christmas, is scheduled for a vote by the Tucson City Council on January 5, 2010.

“This new tax is going to hit me really hard,” said Isabel Pena, a renter in Tucson. “I am a single mom and can barely afford to pay rent, plus childcare and other bills. Plus, I am struggling to pay for Christmas presents for my son. I don’t know how I will manage to pay the new tax too.”

“What is equally insulting as the rental tax is the timeframe in which it was proposed,” said Barb Dolan, Government Affairs Liaison for the Arizona Multihousing Association. “It seems like the City is trying to sneak it through during the holidays when they know people are busy or out of town.”

Earlier this year, the City turned down a proposed 2% rental tax after more than 700 residents rallied against it. Among the reasons given by the Council for rejecting the tax were the regressive nature of the tax and the impact it would have on those with lower income levels and on housing affordability in Tucson. Additionally, opponents argue that the tax is double taxation, as property taxes are charged to all rental property, which is then passed on to renters.

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The Arizona Multihousing Association has over 2,000 members representing over 210,000 residential rental units in Arizona, including 136 members and over 38,000 units in the Tucson area. The rental housing industry contributes significantly to the state’s economy:

- *1.6 Million Arizonans live in rental homes.*
- *The rental housing industry is the 6th largest industry in the state, with annual revenues in excess of \$5.16 billion.*
- *Over 21,000 Arizonans earn their living from rental management and operations, generating an estimated annual payroll of \$990 million.*
- *Apartment construction creates 1,050 full-time jobs and \$32 million in wages for every 1000 units built.*