

REFERENCE TITLE: short-term rentals; vacation rentals.

State of Arizona  
Senate  
Fifty-sixth Legislature  
First Regular Session  
2023

## **SCR 1032**

Introduced by  
Senators Terán: Alston, Gabaldón, Marsh, Mendez; Representatives Salman,  
Terech

### A CONCURRENT RESOLUTION

ENACTING AND ORDERING THE SUBMISSION TO THE PEOPLE OF A MEASURE RELATING  
TO SHORT-TERM AND VACATION RENTALS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it resolved by the Senate of the State of Arizona, the House of  
2 Representatives concurring:

3 1. Under the power of the referendum, as vested in the Legislature,  
4 the following measure, relating to short-term and vacation rentals, is  
5 enacted to become valid as a law if approved by the voters and on  
6 proclamation of the Governor:

7 AN ACT

8 REPEALING SECTIONS 9-500.39 AND 11-269.17, ARIZONA REVISED  
9 STATUTES; AMENDING SECTIONS 12-1134, 42-2003 AND 42-5042,  
10 ARIZONA REVISED STATUTES; RELATING TO SHORT-TERM RENTALS AND  
11 VACATION RENTALS.

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

13 Section 1. Repeal

14 Sections 9-500.39 and 11-269.17, Arizona Revised  
15 Statutes, are repealed.

16 Sec. 2. Section 12-1134, Arizona Revised Statutes, is  
17 amended to read:

18 12-1134. Diminution in value; just compensation;  
19 exceptions; definitions

20 A. If the existing rights to use, divide, sell or  
21 possess private real property are reduced by the enactment or  
22 applicability of any land use law enacted after the date the  
23 property is transferred to the owner and such action reduces  
24 the fair market value of the property, the owner is entitled  
25 to just compensation from this state or the political  
26 subdivision of this state that enacted the land use law.

27 B. This section does not apply to land use laws that  
28 MEET ANY OF THE FOLLOWING:

29 1. Limit or prohibit a use or division of real property  
30 for the protection of the public's health and safety,  
31 including rules and regulations relating to fire and building  
32 codes, health and sanitation, transportation or traffic  
33 control, solid or hazardous waste, and pollution control. ;

34 2. Limit or prohibit the use or division of real  
35 property commonly and historically recognized as a public  
36 nuisance under common law. ;

37 3. Are required by federal law. ;

38 4. Limit or prohibit the use or division of a property  
39 for the purpose of housing sex offenders, selling illegal  
40 drugs, liquor control, or pornography, obscenity, nude or  
41 topless dancing, and other adult oriented businesses if the  
42 land use laws are consistent with the constitutions of this  
43 state and the United States. ;

44 5. Establish locations for utility facilities. ;

45 6. Do not directly regulate an owner's land. ;

1           7. Were enacted before ~~the effective date of this~~  
2 ~~section~~ DECEMBER 7, 2006.

3           8. REGULATE A VACATION RENTAL OR SHORT-TERM RENTAL.

4           C. This state or the political subdivision of this  
5 state that enacted the land use law has the burden of  
6 demonstrating that the land use law is exempt pursuant to  
7 subsection B OF THIS SECTION.

8           D. The owner shall not be required to first submit a  
9 land use application to remove, modify, vary or otherwise  
10 alter the application of the land use law to the owner's  
11 property as a prerequisite to demanding or receiving just  
12 compensation pursuant to this section.

13           E. If a land use law continues to apply to private real  
14 property more than ninety days after the owner of the property  
15 makes a written demand in a specific amount for just  
16 compensation to this state or the political subdivision of  
17 this state that enacted the land use law, the owner has a  
18 cause of action for just compensation in a court in the county  
19 in which the property is located, unless this state or THE  
20 political subdivision of this state and the owner reach an  
21 agreement on the amount of just compensation to be paid, or  
22 unless this state or THE political subdivision of this state  
23 amends, ~~OR~~ repeals, ~~THE LAND USE LAW~~ or issues to the  
24 landowner a binding waiver of enforcement of the land use law  
25 on the owner's specific parcel.

26           F. Any demand for landowner relief or any waiver that  
27 is granted in lieu of compensation runs with the land.

28           G. An action for just compensation based on diminution  
29 in value must be made or forever barred within three years of  
30 the effective date of the land use law, or of the first date  
31 the reduction of the existing rights to use, divide, sell or  
32 possess property applies to the owner's parcel, whichever is  
33 later.

34           H. The remedy created by this section is in addition to  
35 any other remedy that is provided by the laws and constitution  
36 of this state or the United States and is not intended to  
37 modify or replace any other remedy.

38           I. ~~Nothing in~~ This section ~~prohibits~~ DOES NOT PROHIBIT  
39 this state or any political subdivision of this state from  
40 reaching an agreement with a private property owner to waive a  
41 claim for diminution in value regarding any proposed action by  
42 this state or a political subdivision of this state or action  
43 requested by the property owner.

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J. FOR THE PURPOSES OF THIS SECTION:

1. "TRANSIENT" HAS THE SAME MEANING PRESCRIBED IN SECTION 42-5070.

2. "VACATION RENTAL" OR "SHORT-TERM RENTAL":

(a) MEANS ANY INDIVIDUALLY OR COLLECTIVELY OWNED SINGLE-FAMILY OR ONE-TO-FOUR-FAMILY HOUSE OR DWELLING UNIT OR ANY UNIT OR GROUP OF UNITS IN A CONDOMINIUM, COOPERATIVE OR TIMESHARE, THAT IS ALSO A TRANSIENT PUBLIC LODGING ESTABLISHMENT OR OWNER-OCCUPIED RESIDENTIAL HOME OFFERED FOR TRANSIENT USE IF THE ACCOMMODATIONS ARE NOT CLASSIFIED FOR PROPERTY TAXATION UNDER SECTION 42-12001.

(b) DOES NOT INCLUDE A UNIT THAT IS USED FOR ANY NONRESIDENTIAL USE, INCLUDING A RETAIL, RESTAURANT, BANQUET SPACE OR EVENT CENTER USE OR ANOTHER SIMILAR USE.

Sec. 3. Section 42-2003, Arizona Revised Statutes, is amended to read:

42-2003. Authorized disclosure of confidential information

A. Confidential information relating to:

1. A taxpayer may be disclosed to the taxpayer, its successor in interest or a designee of the taxpayer who is authorized in writing by the taxpayer. A principal corporate officer of a parent corporation may execute a written authorization for a controlled subsidiary. If a taxpayer elects to file an Arizona small business income tax return under section 43-302, a written authorization by ~~a~~ THE taxpayer to allow the department to disclose personal income tax information to a designee includes the corresponding Arizona small business income tax return.

2. A corporate taxpayer may be disclosed to any principal officer, any person designated by a principal officer or any person designated in a resolution by the corporate board of directors or other similar governing body. If a corporate officer signs a statement under penalty of perjury representing that the officer is a principal officer, the department may rely on the statement until the statement is shown to be false. For the purposes of this paragraph, "principal officer" includes a chief executive officer, president, secretary, treasurer, vice president of tax, chief financial officer, chief operating officer or chief tax officer or any other corporate officer who has the authority to bind the taxpayer on matters related to state taxes.

3. A partnership may be disclosed to any partner of the partnership. This exception does not include disclosure of

1 confidential information of a particular partner unless  
2 otherwise authorized.

3 4. A limited liability company may be disclosed to any  
4 member of the company or, if the company is manager-managed,  
5 to any manager.

6 5. An estate may be disclosed to the personal  
7 representative of the estate and to any heir, next of kin or  
8 beneficiary under the will of the decedent if the department  
9 finds that the heir, next of kin or beneficiary has a material  
10 interest that will be affected by the confidential  
11 information.

12 6. A trust may be disclosed to the trustee or trustees,  
13 jointly or separately, and to the grantor or any beneficiary  
14 of the trust if the department finds that the grantor or  
15 beneficiary has a material interest that will be affected by  
16 the confidential information.

17 7. A government entity may be disclosed to the head of  
18 the entity or a member of the governing board of the entity,  
19 or any employee of the entity who has been delegated the  
20 authorization in writing by the head of the entity or the  
21 governing board of the entity.

22 8. Any taxpayer may be disclosed if the taxpayer has  
23 waived any rights to confidentiality either in writing or on  
24 the record in any administrative or judicial proceeding.

25 9. The name and taxpayer identification numbers of  
26 persons issued direct payment permits may be publicly  
27 disclosed.

28 10. Any taxpayer may be disclosed during a meeting or  
29 telephone call if the taxpayer is present during the meeting  
30 or telephone call and authorizes the disclosure of  
31 confidential information.

32 B. Confidential information may be disclosed to:

33 1. Any employee of the department whose official duties  
34 involve tax administration.

35 2. The office of the attorney general solely for its  
36 use in preparation for, or in an investigation that may result  
37 in, any proceeding involving tax administration before the  
38 department or any other agency or board of this state, or  
39 before any grand jury or any state or federal court.

40 3. The department of liquor licenses and control for  
41 its use in determining whether a spirituous liquor licensee  
42 has paid all transaction privilege taxes and affiliated excise  
43 taxes incurred as a result of the sale of spirituous liquor,  
44 as defined in section 4-101, at the licensed establishment and

1 imposed on the licensed establishments by this state and its  
2 political subdivisions.

3 4. Other state tax officials whose official duties  
4 require the disclosure for proper tax administration purposes  
5 if the information is sought in connection with an  
6 investigation or any other proceeding conducted by the  
7 official. Any disclosure is limited to information of a  
8 taxpayer who is being investigated or who is a party to a  
9 proceeding conducted by the official.

10 5. The following agencies, officials and organizations,  
11 if they grant substantially similar privileges to the  
12 department for the type of information being sought, pursuant  
13 to statute and a written agreement between the department and  
14 the foreign country, agency, state, Indian tribe or  
15 organization:

16 (a) The United States internal revenue service, alcohol  
17 and tobacco tax and trade bureau of the United States  
18 treasury, United States bureau of alcohol, tobacco, firearms  
19 and explosives of the United States department of justice,  
20 United States drug enforcement agency and federal bureau of  
21 investigation.

22 (b) A state tax official of another state.

23 (c) An organization of states, federation of tax  
24 administrators or multistate tax commission that operates an  
25 information exchange for tax administration purposes.

26 (d) An agency, official or organization of a foreign  
27 country with responsibilities that are comparable to those  
28 listed in subdivision (a), (b) or (c) of this paragraph.

29 (e) An agency, official or organization of an Indian  
30 tribal government with responsibilities comparable to the  
31 responsibilities of the agencies, officials or organizations  
32 identified in subdivision (a), (b) or (c) of this paragraph.

33 6. The auditor general, in connection with any audit of  
34 the department subject to the restrictions in section 42-2002,  
35 subsection D.

36 7. Any person to the extent necessary for effective tax  
37 administration in connection with:

38 (a) The processing, storage, transmission, destruction  
39 and reproduction of the information.

40 (b) The programming, maintenance, repair, testing and  
41 procurement of equipment for purposes of tax administration.

42 (c) The collection of the taxpayer's civil liability.

43 8. The office of administrative hearings relating to  
44 taxes administered by the department pursuant to section  
45 42-1101, but the department shall not disclose any

1 confidential information without the taxpayer's written  
2 consent:

3 (a) Regarding income tax or withholding tax.

4 (b) On any tax issue relating to information associated  
5 with the reporting of income tax or withholding tax.

6 9. The United States treasury inspector general for tax  
7 administration for the purpose of reporting a violation of  
8 internal revenue code section 7213A (26 United States Code  
9 section 7213A), unauthorized inspection of returns or return  
10 information.

11 10. The financial management service of the United  
12 States treasury department for use in the treasury offset  
13 program.

14 11. The United States treasury department or its  
15 authorized agent for use in the state income tax levy program  
16 and in the electronic federal tax payment system.

17 12. The Arizona commerce authority for its use in:

18 (a) Qualifying renewable energy operations for the tax  
19 incentives under section 42-12006.

20 (b) Qualifying businesses with a qualified facility for  
21 income tax credits under sections 43-1083.03 and 43-1164.04.

22 (c) Fulfilling its annual reporting responsibility  
23 pursuant to section 41-1512, subsections U and V and section  
24 41-1517, subsection L.

25 (d) Certifying computer data centers for tax relief  
26 under section 41-1519.

27 (e) Certifying applicants for the tax credit for motion  
28 picture production costs under sections 43-1082 and 43-1165.

29 13. A prosecutor for purposes of section 32-1164,  
30 subsection C.

31 14. The office of the state fire marshal for use in  
32 determining compliance with and enforcing title 37, chapter 9,  
33 article 5.

34 15. The department of transportation for its use in  
35 administering taxes, surcharges and penalties prescribed by  
36 title 28.

37 16. The Arizona health care cost containment system  
38 administration for its use in administering nursing facility  
39 provider assessments.

40 17. The department of administration risk management  
41 division and the office of the attorney general if the  
42 information relates to a claim against this state pursuant to  
43 section 12-821.01 involving the department of revenue.

44 18. Another state agency if the taxpayer authorizes the  
45 disclosure of confidential information in writing, including

1 an authorization that is part of an application form or other  
2 document submitted to the agency.

3 19. The department of economic security for its use in  
4 determining whether an employer has paid all amounts due under  
5 the unemployment insurance program pursuant to title 23,  
6 chapter 4.

7 20. The department of health services for its use in  
8 determining the following:

9 (a) Whether a medical marijuana dispensary is in  
10 compliance with the tax requirements of chapter 5 of this  
11 title for the purposes of section 36-2806, subsection A.

12 (b) Whether a marijuana establishment, marijuana  
13 testing facility or dual licensee licensed under title 36,  
14 chapter 28.2 is in compliance with the tax obligations under  
15 this title or title 43.

16 21. The Arizona department of agriculture for the  
17 purpose of ascertaining compliance with the licensing  
18 provisions in title 3.

19 C. Confidential information may be disclosed in any  
20 state or federal judicial or administrative proceeding  
21 pertaining to tax administration pursuant to the following  
22 conditions:

23 1. One or more of the following circumstances must  
24 apply:

25 (a) The taxpayer is a party to the proceeding.

26 (b) The proceeding arose out of, or in connection with,  
27 determining the taxpayer's civil or criminal liability, or the  
28 collection of the taxpayer's civil liability, with respect to  
29 any tax imposed under this title or title 43.

30 (c) The treatment of an item reflected on the  
31 taxpayer's return is directly related to the resolution of an  
32 issue in the proceeding.

33 (d) Return information directly relates to a  
34 transactional relationship between a person who is a party to  
35 the proceeding and the taxpayer and directly affects the  
36 resolution of an issue in the proceeding.

37 2. Confidential information may not be disclosed under  
38 this subsection if the disclosure is prohibited by section  
39 42-2002, subsection C or D.

40 D. Identity information may be disclosed for purposes  
41 of notifying persons entitled to tax refunds if the department  
42 is unable to locate the persons after reasonable effort.

43 E. The department, on the request of any person, shall  
44 provide the names and addresses of bingo licensees as defined  
45 in section 5-401, verify whether or not a person has a



1 privilege license and number, a tobacco product distributor's  
2 license and number or a withholding license and number or  
3 disclose the information to be posted on the department's  
4 website or otherwise publicly accessible pursuant to section  
5 42-1124, subsection F and section 42-3401.

6 F. A department employee, in connection with the  
7 official duties relating to any audit, collection activity or  
8 civil or criminal investigation, may disclose return  
9 information to the extent that disclosure is necessary to  
10 obtain information that is not otherwise reasonably  
11 available. These official duties include the correct  
12 determination of and liability for tax, the amount to be  
13 collected or the enforcement of other state tax revenue laws.

14 G. Confidential information relating to transaction  
15 privilege tax, use tax, severance tax, jet fuel excise and use  
16 tax and any other tax collected by the department on behalf of  
17 any jurisdiction may be disclosed to any county, city or town  
18 tax official if the information relates to a taxpayer who is  
19 or may be taxable by a county, city or town or who may be  
20 subject to audit by the department pursuant to section  
21 42-6002. Any taxpayer information that is released by the  
22 department to the county, city or town:

23 1. May be used only for internal purposes, including  
24 audits. ~~If there is a legitimate business need relating to~~  
25 ~~enforcing laws, regulations and ordinances pursuant to section~~  
26 ~~9-500.39 or 11-269.17, a county, city or town tax official may~~  
27 ~~redisclose transaction privilege tax information relating to a~~  
28 ~~vacation rental or short-term rental property owner or online~~  
29 ~~lodging operator from the new license report and license~~  
30 ~~update report, subject to the following:~~

31 ~~(a) The information redisclosed is limited to the~~  
32 ~~following:~~

33 ~~(i) The transaction privilege tax license number.~~

34 ~~(ii) The type of organization or ownership of the~~  
35 ~~business.~~

36 ~~(iii) The legal business name and doing business as~~  
37 ~~name, if different from the legal name.~~

38 ~~(iv) The business mailing address, tax record physical~~  
39 ~~location address, telephone number, email address and fax~~  
40 ~~number.~~

41 ~~(v) The date the business started in this state, the~~  
42 ~~business description and the North American industry~~  
43 ~~classification system code.~~

1           ~~(vi) The name, address and telephone number for each~~  
2 ~~owner, partner, corporate officer, member, managing member or~~  
3 ~~official of the employing unit.~~

4           ~~(b) Redisdisclosure is limited to nonelected officials in~~  
5 ~~other units within the county, city or town. The information~~  
6 ~~may not be redisclosed to an elected official or the elected~~  
7 ~~official's staff.~~

8           ~~(c) All redisclosures of confidential information made~~  
9 ~~pursuant to this paragraph are subject to paragraph 2 of this~~  
10 ~~subsection.~~

11           2. May not be disclosed to the public in any manner  
12 that does not comply with confidentiality standards  
13 established by the department. The county, city or town shall  
14 agree in writing with the department that any release of  
15 confidential information that violates the confidentiality  
16 standards adopted by the department will result in the  
17 immediate suspension of any rights of the county, city or town  
18 to receive taxpayer information under this subsection.

19           H. The department may disclose statistical information  
20 gathered from confidential information if it does not disclose  
21 confidential information attributable to any one taxpayer.  
22 The department may disclose statistical information gathered  
23 from confidential information, even if it discloses  
24 confidential information attributable to a taxpayer, to:

25           1. The state treasurer in order to comply with the  
26 requirements of section 42-5029, subsection A, paragraph 3.

27           2. The joint legislative income tax credit review  
28 committee, the joint legislative budget committee staff and  
29 the legislative staff in order to comply with the requirements  
30 of section 43-221.

31           I. The department may disclose the aggregate amounts of  
32 any tax credit, tax deduction or tax exemption enacted after  
33 January 1, 1994. Information subject to disclosure under this  
34 subsection shall not be disclosed if a taxpayer demonstrates  
35 to the department that such information would give an unfair  
36 advantage to competitors.

37           J. Except as provided in section 42-2002, subsection C,  
38 confidential information, described in section 42-2001,  
39 paragraph 1, subdivision (a), item (ii), may be disclosed to  
40 law enforcement agencies for law enforcement purposes.

41           K. The department may provide transaction privilege tax  
42 license information to property tax officials in a county for  
43 the purpose of identification and verification of the tax  
44 status of commercial property.

1 L. The department may provide transaction privilege  
2 tax, luxury tax, use tax, property tax and severance tax  
3 information to the ombudsman-citizens aide pursuant to title  
4 41, chapter 8, article 5.

5 M. Except as provided in section 42-2002, subsection D,  
6 a court may order the department to disclose confidential  
7 information pertaining to a party to an action. An order  
8 shall be made only on a showing of good cause and that the  
9 party seeking the information has made demand on the taxpayer  
10 for the information.

11 N. This section does not prohibit the disclosure by the  
12 department of any information or documents submitted to the  
13 department by a bingo licensee. Before disclosing the  
14 information, the department shall obtain the name and address  
15 of the person requesting the information.

16 O. If the department is required or allowed to disclose  
17 confidential information, it may charge the person or agency  
18 requesting the information for the reasonable cost of its  
19 services.

20 P. Except as provided in section 42-2002, subsection D,  
21 the department of revenue shall release confidential  
22 information as requested by the department of economic  
23 security pursuant to section 42-1122 or 46-291. Information  
24 disclosed under this subsection is limited to the same type of  
25 information that the United States internal revenue service is  
26 authorized to disclose under section 6103(1)(6) of the  
27 internal revenue code.

28 Q. Except as provided in section 42-2002, subsection D,  
29 the department shall release confidential information as  
30 requested by the courts and clerks of the court pursuant to  
31 section 42-1122.

32 R. To comply with the requirements of section 42-5031,  
33 the department may disclose to the state treasurer, to the  
34 county stadium district board of directors and to any city or  
35 town tax official that is part of the county stadium district  
36 confidential information attributable to a taxpayer's business  
37 activity conducted in the county stadium district.

38 S. The department shall release to the attorney general  
39 confidential information as requested by the attorney general  
40 for purposes of determining compliance with or enforcing any  
41 of the following:

42 1. Any public health control law relating to tobacco  
43 sales as provided under title 36, chapter 6, article 14.

1           2. Any law relating to reduced cigarette ignition  
2 propensity standards as provided under title 37, chapter 9,  
3 article 5.

4           3. Sections 44-7101 and 44-7111, the master settlement  
5 agreement referred to in those sections and all agreements  
6 regarding disputes under the master settlement agreement.

7           T. For proceedings before the department, the office of  
8 administrative hearings, the state board of tax appeals or any  
9 state or federal court involving penalties that were assessed  
10 against a return preparer, an electronic return preparer or a  
11 payroll service company pursuant to section 42-1103.02,  
12 42-1125.01 or 43-419, confidential information may be  
13 disclosed only before the judge or administrative law judge  
14 adjudicating the proceeding, the parties to the proceeding and  
15 the parties' representatives in the proceeding prior to its  
16 introduction into evidence in the proceeding. The  
17 confidential information may be introduced as evidence in the  
18 proceeding only if the taxpayer's name, the names of any  
19 dependents listed on the return, all social security numbers,  
20 the taxpayer's address, the taxpayer's signature and any  
21 attachments containing any of the foregoing information are  
22 redacted and if either:

23           1. The treatment of an item reflected on such a return  
24 is or may be related to the resolution of an issue in the  
25 proceeding.

26           2. Such a return or the return information relates or  
27 may relate to a transactional relationship between a person  
28 who is a party to the proceeding and the taxpayer that  
29 directly affects the resolution of an issue in the proceeding.

30           3. The method of payment of the taxpayer's withholding  
31 tax liability or the method of filing the taxpayer's  
32 withholding tax return is an issue for the period.

33           U. The department and attorney general may share the  
34 information specified in subsection S of this section with any  
35 of the following:

36           1. Federal, state or local agencies located in this  
37 state for the purposes of enforcement of the statutes or  
38 agreements specified in subsection S of this section or for  
39 the purposes of enforcement of corresponding laws of other  
40 states.

41           2. Indian tribes located in this state for the purposes  
42 of enforcement of the statutes or agreements specified in  
43 subsection S of this section.

44           3. A court, arbitrator, data clearinghouse or similar  
45 entity for the purpose of assessing compliance with or making

1 calculations required by the master settlement agreement or  
2 agreements regarding disputes under the master settlement  
3 agreement, and with counsel for the parties or expert  
4 witnesses in any such proceeding, if the information otherwise  
5 remains confidential.

6 V. The department may provide the name and address of  
7 qualifying hospitals and qualifying health care organizations,  
8 as defined in section 42-5001, to a business that is  
9 classified and reporting transaction privilege tax under the  
10 utilities classification.

11 W. The department may disclose to an official of any  
12 city, town or county in a current agreement or considering a  
13 prospective agreement with the department as described in  
14 section 42-5032.02, subsection G any information relating to  
15 amounts that are subject to distribution and that are required  
16 by section 42-5032.02. Information disclosed by the  
17 department under this subsection:

18 1. May be used only by the city, town or county for  
19 internal purposes.

20 2. May not be disclosed to the public in any manner  
21 that does not comply with confidentiality standards  
22 established by the department. The city, town or county must  
23 agree with the department in writing that any release of  
24 confidential information that violates the confidentiality  
25 standards will result in the immediate suspension of any  
26 rights of the city, town or county to receive information  
27 under this subsection.

28 X. Notwithstanding any other provision of this section,  
29 the department may not disclose information provided by an  
30 online lodging marketplace, as defined in section 42-5076,  
31 without the written consent of the online lodging marketplace,  
32 and the information may be disclosed only pursuant to  
33 subsection A, paragraphs 1 through 6, 8 and 10, subsection B,  
34 paragraphs 1, 2, 7 and 8 and subsections C, D and G of this  
35 section. Such information:

36 1. Is not subject to disclosure pursuant to title 39,  
37 relating to public records.

38 2. May not be disclosed to any agency of this state or  
39 of any county, city, town or other political subdivision of  
40 this state.

1           Sec. 4. Section 42-5042, Arizona Revised Statutes, is  
2 amended to read:

3           42-5042. Online lodging operators; requirements; civil  
4                           penalty; definitions

5           A. An online lodging operator may not offer for rent or  
6 rent a lodging accommodation without a current transaction  
7 privilege tax license. The online lodging operator shall list  
8 the transaction privilege tax license number on each  
9 advertisement for each lodging accommodation the online  
10 lodging operator maintains, including online lodging  
11 marketplace postings. An online lodging operator that fails  
12 to comply with this subsection shall pay a civil penalty of  
13 \$250 for a first offense and \$1,000 for a second or any  
14 subsequent offense.

15           B. For the purposes of this section:

16           1. "Lodging accommodation" has the same meaning  
17 prescribed in section 42-5076.

18           2. "Online lodging marketplace" has the same meaning  
19 prescribed in section 42-5076.

20           3. "Online lodging operator" has the same meaning  
21 prescribed in section 42-5076 ~~and includes an owner of a~~  
22 ~~vacation rental or short-term rental that is not offered~~  
23 ~~through an online lodging marketplace.~~

24           4. ~~"Vacation rental" and "short-term rental" have the~~  
25 ~~same meanings prescribed in section 9-500.39 or 11-269.17.~~

26           5. ~~"Verified violation" has the same meaning prescribed~~  
27 ~~in section 9-500.39 or 11-269.17.~~

28           2. The Secretary of State shall submit this proposition to the  
29 voters at the next general election as provided by article IV, part 1,  
30 section 1, Constitution of Arizona.