

JAIL DISTRICT RESOLUTION NO. 25-04

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COCHISE COUNTY JAIL DISTRICT LEVYING THE COCHISE COUNTY JAIL DISTRICT EXCISE TAX

WHEREAS, Arizona Revised Statutes (“A.R.S.”) § 48-4001 allows the Board of Supervisors of Cochise County (the “Board of Supervisors”) to establish a jail district for the purpose of acquiring, constructing, operating, maintaining, and financing county jails and jail systems; and

WHEREAS, the approval of such a jail district and associated excise (sales) tax will provide a dedicated revenue stream to support the construction and financing of county jail facilities; and

WHEREAS, a public hearing was held on the creation of the Cochise County Jail District (the “District”) on November 15, 2022; and

WHEREAS, in accordance with A.R.S. § 48-4001(E), the District includes the incorporated and unincorporated areas of Cochise County, Arizona (the “County”); and

WHEREAS, on August 5, 2025, the Board of Supervisors conducted a public hearing on the continued establishment of the District, and after the hearing the Board of Supervisors adopted Resolution 25-24 ordering the continued establishment of the District contingent upon voter approval of an excise tax, and finding that the public interest, convenience, and necessity would be served by the continued establishment of a jail district in County; and

WHEREAS, the continued establishment of the District by the Board of Supervisors was contingent upon voter approval of an excise tax as set forth in A.R.S. § 48-4001(A) and A.R.S. § 48-4021(A); and

WHEREAS, an election was held in County on November 4, 2025, at which time the qualified electors of County voted on the Jail District Excise Tax Question to fund the District; and

WHEREAS, the number of qualified electors voting in favor of the excise tax were 11,962, and those qualified electors voting against the imposition of the excise tax numbered 11,090; and

WHEREAS, the results of the election were canvassed by the Board of Directors of the District on November 13, 2025; and

WHEREAS, the majority of the qualified electors voting at the election approved the excise tax, and, pursuant to A.R.S. § 48-4022, the Board of Directors of the District now desires to levy the excise tax, to be collected by the Arizona Department of Revenue, beginning July 1, 2026; and

WHEREAS, the Board of Supervisors accepted the filing of the excise tax by the Board of Directors of the District on November 18, 2025.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Cochise County Jail District as follows:

- 1.) The Board of Directors of the District hereby adopts this Resolution Levying the Cochise County Jail District Excise Tax. As provided in A.R.S. § 48-4022, the levied tax rate shall be a percentage of the excise tax rate prescribed by § 42-5010(A) applying to each person engaging or continuing in the District in a business taxed under A.R.S. Title 42, Chapter 5, Article 1 and A.R.S. § 42-5352(A). Pursuant to A.R.S. § 48-4022(A)(1)(a), the District excise tax is hereby levied at rate not to exceed ten percent of each rate prescribed by A.R.S. § 42-5010(A) and A.R.S. § 42-5352(A). Based on the current rates prescribed in A.R.S. § 42-5010(A), the excise tax levied by the District will generally be at a rate equivalent to an approximately 1/2 cent tax on most eligible transactions.
- 2.) Notwithstanding the foregoing, the excise tax levied by the District shall be at a rate not be greater than 0.313 percent for non-metal mining (A.R.S. § 42-5010(A)(3)); 0.305 percent for jet fuel (A.R.S. § 42-5352 (A)); or 0.55 percent for transient lodging (A.R.S. § 42-5010(A)(2)).
- 3.) The excise taxes levied and ordered by this resolution shall be levied within the incorporated and unincorporated areas of the County commencing on July 1, 2026, and continuing until the earlier of 90 days after the District debt secured by such tax is fully repaid or July 1, 2043.

- 4.) Pursuant to A.R.S. § 48-4022(A), the Arizona Department of Revenue shall begin collecting the tax on July 1, 2026, and shall continue to do so until July 1, 2043, unless subsequently directed otherwise by the Board of Directors of the District.
- 5.) The excise taxes previously collected by the District following the May 16, 2023 election until July 31, 2025, shall be retained by the District and applied to the construction and financing of County jail facilities in accordance with Arizona law and as directed by the Board of Directors of the District.
- 6.) The officials, officers, employees and agents of the District are hereby authorized and directed to take such further actions as necessary to consummate the levying of the District excise tax as contemplated by this resolution.

PASSED, ADOPTED AND APPROVED at Bisbee, Arizona, on December 16, 2025.

COCHISE COUNTY JAIL DISTRICT BOARD OF DIRECTORS

Frank Antenori, Chair

ATTEST:

Lara Loewenheim
Clerk of the Board

APPROVED AS TO FORM:



12/11/2025

Dylan Hendel
Civil Deputy County Attorney