

State of Arizona
House of Representatives
Forty-seventh Legislature
Second Regular Session
2006

HOUSE BILL 2685

AN ACT

AMENDING SECTIONS 15-1461.01, 41-1276 AND 42-17107, ARIZONA REVISED STATUTES;
RELATING TO PROPERTY TAX LEVIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-1461.01, Arizona Revised Statutes, is amended to
3 read:

4 15-1461.01. Truth in taxation: election, notice and hearing:
5 governing board vote on tax increase: definitions

6 A. IF A DISTRICT GOVERNING BOARD INTENDS OR ANTICIPATES AN INCREASE IN
7 THE PRIMARY PROPERTY TAX LEVY, THE GOVERNING BOARD MUST RECEIVE APPROVAL BY
8 THE QUALIFIED ELECTORS OF THE DISTRICT AS FOLLOWS:

9 1. THE GOVERNING BOARD MUST SUBMIT THE ISSUE OF LEVYING INCREASED
10 PRIMARY PROPERTY TAXES TO THE QUALIFIED ELECTORS AT AN ELECTION HELD ON THE
11 THIRD TUESDAY IN MAY IN AN ODD-NUMBERED YEAR.

12 2. THE GOVERNING BOARD SHALL PREPARE AND PRINT A PUBLICITY PAMPHLET
13 CONCERNING THE BALLOT QUESTION AND MAIL ONE COPY OF THE PAMPHLET TO EACH
14 HOUSEHOLD CONTAINING A REGISTERED VOTER IN THE DISTRICT. THE MAILINGS MAY BE
15 MADE OVER A PERIOD OF DAYS BUT MUST BE MAILED FOR DELIVERY BEFORE THE
16 EARLIEST DATE REGISTERED VOTERS MAY RECEIVE EARLY BALLOTS FOR THE
17 ELECTION. THE PUBLICITY PAMPHLET MUST CONTAIN:

18 (a) A SUMMARY OF THE ISSUE PRESENTED TO THE VOTERS, INCLUDING THE
19 REASON OR REASONS FOR THE ANTICIPATED INCREASE IN THE TAX LEVY, THE TAX YEAR
20 OR YEARS OF THE INCREASED LEVY, THE ESTIMATED AMOUNT OF THE INCREASED LEVY
21 FOR EACH TAX YEAR, THE ESTIMATED TAX RATE OF THE DISTRICT IN EACH TAX YEAR
22 AND THE ESTIMATED TAX INCREASE ON A \$100,000 HOME IN EACH TAX YEAR.

23 (b) A STATEMENT DESCRIBING THE PURPOSES FOR WHICH THE INCREASED TAX
24 REVENUES WILL BE USED.

25 (c) THE FORM OF THE BALLOT.

26 (d) ANY ARGUMENTS FOR OR AGAINST THE BALLOT MEASURE, RECEIVED,
27 ACKNOWLEDGED AND PRINTED AS FOLLOWS:

28 (i) AT LEAST ONE HUNDRED TWENTY DAYS BEFORE THE ELECTION, A PERSON MAY
29 FILE WITH THE DISTRICT AN ARGUMENT, NOT MORE THAN THREE HUNDRED WORDS IN
30 LENGTH, ADVOCATING OR OPPOSING THE BALLOT MEASURE. THE PERSON WHO FILES THE
31 ARGUMENT SHALL ALSO PAY TO THE DISTRICT A PUBLICATION FEE PRESCRIBED BY THE
32 GOVERNING BOARD.

33 (ii) IF THE ARGUMENT IS SPONSORED BY ONE OR MORE INDIVIDUALS, THE
34 ARGUMENT MUST BE SIGNED BY EACH SPONSORING INDIVIDUAL. IF THE ARGUMENT IS
35 SPONSORED BY ONE OR MORE ORGANIZATIONS, THE ARGUMENT MUST BE SIGNED BY TWO
36 EXECUTIVE OFFICERS OF EACH ORGANIZATION. IF THE ARGUMENT IS SPONSORED BY ONE
37 OR MORE POLITICAL COMMITTEES, THE ARGUMENT MUST BE SIGNED BY EACH COMMITTEE'S
38 CHAIRPERSON OR TREASURER. PAYMENT OF THE FEE REQUIRED BY THIS SUBDIVISION,
39 OR REIMBURSEMENT OF THE PAYOR, CONSTITUTES SPONSORSHIP OF THE ARGUMENT. THE
40 NAMES OF PERSONS WHO HAVE SIGNED ARGUMENTS AND THE NAMES OF SPONSORING
41 ORGANIZATIONS SHALL APPEAR WITH THE ARGUMENT IN THE PAMPHLET. THE PERSON OR
42 PERSONS SIGNING THE ARGUMENT SHALL ALSO GIVE THEIR RESIDENCE OR POST OFFICE
43 ADDRESS AND A TELEPHONE NUMBER, WHICH SHALL NOT APPEAR IN THE PAMPHLET.

1 (iii) AFFIRMATIVE ARGUMENTS, ARRANGED IN THE ORDER IN WHICH THE
2 DISTRICT RECEIVED THEM, SHALL BE PLACED BEFORE THE NEGATIVE ARGUMENTS, ALSO
3 ARRANGED IN THE ORDER IN WHICH THEY WERE RECEIVED.

4 3. THE ISSUE SHALL BE PRESENTED ON THE BALLOT AS FOLLOWS: "MAY THE
5 _____ COMMUNITY COLLEGE DISTRICT RAISE ITS PRIMARY PROPERTY TAXES
6 FOR THE ____ [AND ____] TAX YEAR[S] AS PROVIDED BY THE ARIZONA TRUTH IN
7 TAXATION LAWS? _____ YES _____ NO"

8 4. IF A MAJORITY OF THE QUALIFIED ELECTORS VOTING ON THE ISSUE:

9 (a) APPROVES THE INCREASED PROPERTY TAX LEVY, THE GOVERNING BOARD MAY
10 INCREASE ITS PRIMARY PROPERTY TAX LEVY IN EITHER OR BOTH OF THE CURRENT AND
11 IMMEDIATELY FOLLOWING TAX YEARS IN THE MANNER PRESCRIBED BY THIS SECTION AND
12 CONSISTENT WITH THE PROPOSITION DESCRIBED FOR THE PURPOSES OF THE ELECTION.

13 (b) DISAPPROVES THE INCREASED PROPERTY TAX LEVY, THE GOVERNING BOARD
14 SHALL NOT INCREASE ITS PRIMARY PROPERTY TAX LEVY IN EITHER THE CURRENT OR THE
15 IMMEDIATELY FOLLOWING TAX YEAR.

16 ~~A.~~ B. On or before February 10 of the tax year, the county assessor
17 shall transmit and certify to the property tax oversight commission and to
18 the district governing board the total net primary assessed values that are
19 required to compute the levy limit prescribed by section 42-17051. IF
20 AUTHORIZED BY THE QUALIFIED ELECTORS, AND if the proposed primary property
21 tax levy, excluding amounts that are attributable to new construction AND
22 AMOUNTS ATTRIBUTABLE TO INFLATION, is greater than the amount levied in the
23 preceding tax year by the district:

24 1. The district governing board shall publish a notice that meets the
25 following requirements:

26 (a) The notice shall be published twice in a newspaper of general
27 circulation in the district. The first publication shall be at least
28 fourteen but not more than twenty days before the date of the hearing. The
29 second publication shall be at least seven but not more than ten days before
30 the date of the hearing.

31 (b) The notice shall be published in a location other than the
32 classified or legal advertising section of the newspaper in which it is
33 published.

34 (c) The notice shall be at least one-fourth page in size and shall be
35 surrounded by a solid black border at least one-eighth inch in width.

36 (d) The notice shall be in the following form, with the "truth in
37 taxation hearing - notice of tax increase" headline in at least eighteen
38 point type:

39 Truth in Taxation Hearing
40 Notice of Tax Increase

41 In compliance with section 15-1461.01, Arizona Revised
42 Statutes, _____ community college district is notifying its
43 property taxpayers of _____ community college district's
44 intention to raise its primary property taxes over last year's

1 level. The _____ community college district is proposing
2 an increase in primary property taxes of \$_____ or ____%.

3 For example, the proposed tax increase will cause
4 _____ community college district's primary property taxes
5 on a \$100,000 home to increase from \$_____ (total taxes
6 that would be owed without the proposed tax increase) to
7 \$_____ (total proposed taxes including the tax increase).

8 This proposed increase is exclusive of increased primary
9 property taxes received from new construction AND
10 INFLATION. The increase is also exclusive of any changes that
11 may occur from property tax levies for voter approved bonded
12 indebtedness or budget and tax overrides.

13 All interested citizens are invited to attend the public
14 hearing on the tax increase that is scheduled to be held
15 _____ (date and time) at _____ (location).

16 2. In lieu of publishing the truth in taxation notice, the district
17 board may mail the truth in taxation notice prescribed by paragraph 1,
18 subdivision (d) OF THIS SUBSECTION to all registered voters in the district
19 at least ten but not more than twenty days before the date of the hearing.

20 3. In addition to publishing the truth in taxation notice under
21 paragraph 1 OF THIS SUBSECTION or mailing the notice under paragraph 2 OF
22 THIS SUBSECTION, the district governing board shall issue a press release
23 containing the truth in taxation notice to all newspapers of general
24 circulation in the district.

25 4. The district board shall consider a motion to levy the increased
26 property taxes by roll call vote.

27 5. Within three days after the hearing, the district board shall mail
28 a copy of the truth in taxation notice, a statement of its publication or
29 mailing and the result of the district board's vote under paragraph 4 OF THIS
30 SUBSECTION to the property tax oversight commission established by section
31 42-17002.

32 6. The district board shall hold the truth in taxation hearing on or
33 before the adoption of the county, city or town budget under section
34 42-17105.

35 ~~B.~~ C. IF THE QUALIFIED ELECTORS DISAPPROVE AN INCREASED PRIMARY
36 PROPERTY TAX LEVY OR if the governing board fails to comply with the
37 requirements of this section, the governing board shall not fix, levy or
38 assess an amount of primary property taxes that exceeds the preceding year's
39 amount, except for amounts attributable to new construction AND AMOUNTS
40 ATTRIBUTABLE TO INFLATION.

41 ~~C.~~ D. For THE purposes of this section: ~~—~~

42 1. "AMOUNT ATTRIBUTABLE TO INFLATION" MEANS AN ANNUAL ADJUSTMENT OF
43 THE PRIMARY PROPERTY TAX LEVY DETERMINED BY THE PROPERTY TAX OVERSIGHT
44 COMMISSION ACCORDING TO THE AVERAGE OF THE PRICE DEFLATORS FOR THE GROSS

1 DOMESTIC PRODUCT REPORTED BY THE UNITED STATES DEPARTMENT OF COMMERCE OR ITS
2 SUCCESSOR FOR THE FOUR MOST RECENT FISCAL QUARTERS.

3 2. "Amount attributable to new construction" means the net assessed
4 valuation of property added to the tax roll since the previous year
5 multiplied by a property tax rate computed by dividing the district's primary
6 property tax levy in the preceding year by the estimate of the district's
7 total net assessed valuation for the current year, excluding the net assessed
8 valuation attributable to new construction.

9 Sec. 2. Section 41-1276, Arizona Revised Statutes, is amended to read:

10 41-1276. Truth in taxation levy for equalization assistance to
11 school districts

12 A. On or before February 15 of each year, the joint legislative budget
13 committee shall compute and transmit the truth in taxation rates for
14 equalization assistance for school districts for the following fiscal year
15 to:

16 1. The chairmen of the house of representatives ways and means
17 committee and the senate finance committee or their successor committees.

18 2. The chairmen of the appropriations committees of the senate and the
19 house of representatives or their successor committees.

20 B. The truth in taxation rates consist of the qualifying tax rate for
21 a high school district or a common school district within a high school
22 district that does not offer instruction in high school subjects pursuant to
23 section 15-971, subsection B, paragraph 1, a qualifying tax rate for a
24 unified district, a common school district not within a high school district
25 or a common school district within a high school district that offers
26 instruction in high school subjects pursuant to section 15-971, subsection B,
27 paragraph 2 and a county equalization assistance for education tax rate
28 pursuant to section 15-994 that will offset the change in net assessed
29 valuation of property that was subject to tax in the prior year.

30 C. The joint legislative budget committee shall compute the truth in
31 taxation rates as follows:

32 1. Determine the statewide primary net assessed value for the
33 preceding tax year as provided in section 42-17151, subsection A,
34 paragraph 3.

35 2. Determine the statewide primary net assessed value for the current
36 tax year, excluding the net assessed value of property that was not subject
37 to tax in the preceding year.

38 3. Divide the amount determined in paragraph 1 of this subsection by
39 the amount determined in paragraph 2 of this subsection.

40 4. Adjust the qualifying tax rates and the county equalization
41 assistance for education tax rate for the current fiscal year by the
42 percentage determined in paragraph 3 of this subsection in order to offset
43 the change in net assessed value.

44 D. Except as provided in subsections E and G of this section, the
45 qualifying tax rate for a high school district or a common school district

1 within a high school district that does not offer instruction in high school
2 subjects, the qualifying tax rate for a unified school district, a common
3 school district not within a high school district or a common school district
4 within a high school district that offers instruction in high school subjects
5 and the county equalization assistance for education tax rate for the
6 following fiscal year shall be the rate determined by the joint legislative
7 budget committee pursuant to subsection C of this section. The committee
8 shall transmit the rates to the superintendent of public instruction and the
9 county boards of supervisors by March 15 each year.

10 E. If the legislature proposes either qualifying tax rates or a county
11 equalization assistance for education tax rate that exceeds the truth in
12 taxation rate:

13 1. The house of representatives ways and means committee and the
14 senate finance committee or their successor committees shall hold a joint
15 hearing on or before February 28 and publish a notice of a truth in taxation
16 hearing that meets the following requirements:

17 (a) The notice shall be published twice in a newspaper of general
18 circulation in this state that is published at the state capital. The first
19 publication shall be at least fourteen but not more than twenty days before
20 the date of the hearing. The second publication shall be at least seven but
21 not more than ten days before the date of the hearing.

22 (b) The notice shall be published in a location other than the
23 classified or legal advertising section of the newspaper.

24 (c) The notice shall be at least one-fourth page in size and shall be
25 surrounded by a solid black border at least one-eighth inch in width.

26 (d) The notice shall be in the following form, with the "truth in
27 taxation hearing - notice of tax increase" headline in at least eighteen
28 point type:

29 Truth in Taxation Hearing
30 Notice of Tax Increase

31 In compliance with section 41-1276, Arizona Revised
32 Statutes, the state legislature is notifying property taxpayers
33 in Arizona of the legislature's intention to raise the property
34 tax levy over last year's level.

35 The proposed tax increase will cause the taxes on a
36 \$100,000 home to increase by \$_____.

37 All interested citizens are invited to attend a public
38 hearing on the tax increase that is scheduled to be held
39 _____ (date and time) at _____ (location).

40 (e) For purposes of computing the tax increase on a one hundred
41 thousand dollar home as required by the notice, the joint meeting of the
42 house of representatives ways and means committee and the senate finance
43 committee or their successor committees shall consider the difference between
44 the truth in taxation rate and the proposed increased rate.

1 BEFORE THE EARLIEST DATE REGISTERED VOTERS MAY RECEIVE EARLY BALLOTS FOR THE
2 ELECTION. THE PUBLICITY PAMPHLET MUST CONTAIN:

3 (a) A SUMMARY OF THE ISSUE PRESENTED TO THE VOTERS, INCLUDING THE
4 REASON OR REASONS FOR THE ANTICIPATED INCREASE IN THE TAX LEVY, THE TAX YEAR
5 OR YEARS OF THE INCREASED LEVY, THE ESTIMATED AMOUNT OF THE INCREASED LEVY
6 FOR EACH TAX YEAR, THE ESTIMATED TAX RATE OF THE COUNTY, CITY OR TOWN IN EACH
7 TAX YEAR AND THE ESTIMATED TAX INCREASE ON A \$100,000 HOME IN EACH TAX YEAR.

8 (b) A STATEMENT DESCRIBING THE PURPOSES FOR WHICH THE INCREASED TAX
9 REVENUES WILL BE USED.

10 (c) THE FORM OF THE BALLOT.

11 (d) ANY ARGUMENTS FOR OR AGAINST THE BALLOT MEASURE, RECEIVED,
12 ACKNOWLEDGED AND PRINTED AS FOLLOWS:

13 (i) AT LEAST ONE HUNDRED TWENTY DAYS BEFORE THE ELECTION, A PERSON MAY
14 FILE WITH THE ELECTIONS OFFICER OF THE COUNTY, CITY OR TOWN AN ARGUMENT, NOT
15 MORE THAN THREE HUNDRED WORDS IN LENGTH, ADVOCATING OR OPPOSING THE BALLOT
16 MEASURE. THE PERSON WHO FILES THE ARGUMENT SHALL ALSO PAY A PUBLICATION FEE
17 PRESCRIBED BY THE GOVERNING BODY.

18 (ii) IF THE ARGUMENT IS SPONSORED BY ONE OR MORE INDIVIDUALS, THE
19 ARGUMENT MUST BE SIGNED BY EACH SPONSORING INDIVIDUAL. IF THE ARGUMENT IS
20 SPONSORED BY ONE OR MORE ORGANIZATIONS, THE ARGUMENT MUST BE SIGNED BY TWO
21 EXECUTIVE OFFICERS OF EACH ORGANIZATION. IF THE ARGUMENT IS SPONSORED BY ONE
22 OR MORE POLITICAL COMMITTEES, THE ARGUMENT MUST BE SIGNED BY EACH COMMITTEE'S
23 CHAIRPERSON OR TREASURER. PAYMENT OF THE FEE REQUIRED BY THIS SUBDIVISION,
24 OR REIMBURSEMENT OF THE PAYOR, CONSTITUTES SPONSORSHIP OF THE ARGUMENT. THE
25 NAMES OF PERSONS WHO HAVE SIGNED ARGUMENTS AND THE NAMES OF SPONSORING
26 ORGANIZATIONS SHALL APPEAR WITH THE ARGUMENT IN THE PAMPHLET. THE PERSON OR
27 PERSONS SIGNING THE ARGUMENT SHALL ALSO GIVE THEIR RESIDENCE OR POST OFFICE
28 ADDRESS AND A TELEPHONE NUMBER, WHICH SHALL NOT APPEAR IN THE PAMPHLET.

29 (iii) AFFIRMATIVE ARGUMENTS, ARRANGED IN THE ORDER IN WHICH THE
30 COUNTY, CITY OR TOWN RECEIVED THEM, SHALL BE PLACED BEFORE THE NEGATIVE
31 ARGUMENTS, ALSO ARRANGED IN THE ORDER IN WHICH THEY WERE RECEIVED.

32 3. THE ISSUE SHALL BE PRESENTED ON THE BALLOT AS FOLLOWS: "MAY
33 [COUNTY, CITY, TOWN] RAISE ITS PRIMARY PROPERTY TAXES FOR THE ____ [AND ____]
34 TAX YEAR[S] AS PROVIDED BY THE ARIZONA TRUTH IN TAXATION
35 LAWS? ____ YES ____ NO"

36 4. IF A MAJORITY OF THE QUALIFIED ELECTORS VOTING ON THE ISSUE:

37 (a) APPROVES THE INCREASED PROPERTY TAX LEVY, THE GOVERNING BODY MAY
38 INCREASE ITS PRIMARY PROPERTY TAX LEVY IN EITHER OR BOTH OF THE CURRENT AND
39 IMMEDIATELY FOLLOWING TAX YEARS IN THE MANNER PRESCRIBED BY THIS SECTION AND
40 CONSISTENT WITH THE PROPOSITION DESCRIBED FOR THE PURPOSES OF THE ELECTION.

41 (b) DISAPPROVES THE INCREASED PROPERTY TAX LEVY, THE GOVERNING BODY
42 SHALL NOT INCREASE ITS PRIMARY PROPERTY TAX LEVY IN EITHER THE CURRENT OR THE
43 IMMEDIATELY FOLLOWING TAX YEAR.

44 ~~A.~~ B. On or before February 10 of the tax year, the county assessor
45 shall transmit and certify to the property tax oversight commission and to

1 the governing body of the county, city or town the total net primary assessed
2 values that are required to compute the levy limit prescribed by section
3 42-17051. IF AUTHORIZED BY THE QUALIFIED ELECTORS, AND if the proposed
4 primary property tax levy, excluding amounts that are attributable to new
5 construction AND AMOUNTS ATTRIBUTABLE TO INFLATION, is greater than the
6 amount levied by the county, city or town in the preceding tax year in the
7 county, city or town:

8 1. The governing body shall publish a notice that meets the following
9 requirements:

10 (a) The notice shall be published twice in a newspaper of general
11 circulation in the county, city or town. The first publication shall be at
12 least fourteen but not more than twenty days before the date of the
13 hearing. The second publication shall be at least seven but not more than
14 ten days before the date of the hearing.

15 (b) The notice shall be published in a location other than the
16 classified or legal advertising section of the newspaper in which it is
17 published.

18 (c) The notice shall be at least one-fourth page in size and shall be
19 surrounded by a solid black border at least one-eighth inch in width.

20 (d) The notice shall be in the following form, with the "truth in
21 taxation hearing-notice of tax increase" headline in at least eighteen point
22 type:

23 Truth in Taxation Hearing
24 Notice of Tax Increase

25 In compliance with section 42-17107, Arizona Revised
26 Statutes, _____ (name of county, city or town) is notifying
27 its property taxpayers of _____'s (name of county, city or
28 town) intention to raise its primary property taxes over last
29 year's level. _____ (name of county, city or town) is
30 proposing an increase in primary property taxes of \$_____

31 or ____%.
32 For example, the proposed tax increase will cause
33 _____'s (name of county, city or town) primary property
34 taxes on a \$100,000 home to increase from \$_____ (total
35 taxes that would be owed without the proposed tax increase) to
36 \$_____ (total proposed taxes including the tax increase).

37 This proposed increase is exclusive of increased primary
38 property taxes received from new construction AND
39 INFLATION. The increase is also exclusive of any changes that
40 may occur from property tax levies for voter approved bonded
41 indebtedness or budget and tax overrides.

42 All interested citizens are invited to attend the public
43 hearing on the tax increase that is scheduled to be held
44 _____ (date and time) at _____ (location).

1 2. In lieu of publishing the truth in taxation notice, the governing
2 body may mail the truth in taxation notice prescribed by paragraph 1,
3 subdivision (d) OF THIS SUBSECTION to all registered voters in the county,
4 city or town at least ten but not more than twenty days before the date of
5 the hearing on the estimates pursuant to section 42-17104.

6 3. In addition to publishing the truth in taxation notice under
7 paragraph 1 OF THIS SUBSECTION or mailing the notice under paragraph 2 OF
8 THIS SUBSECTION, the governing body shall issue a press release containing
9 the truth in taxation notice.

10 4. The governing body shall consider a motion to levy the increased
11 property taxes by roll call vote.

12 5. Within three days after the hearing, the governing body shall mail
13 a copy of the truth in taxation notice, a statement of its publication or
14 mailing and the result of the governing body's vote under paragraph 4 OF THIS
15 SUBSECTION to the property tax oversight commission.

16 6. The governing body shall hold the truth in taxation hearing on or
17 before the adoption of the county, city or town budget under section
18 42-17105.

19 ~~B.~~ C. IF THE QUALIFIED ELECTORS DISAPPROVE AN INCREASED PRIMARY
20 PROPERTY TAX LEVY OR if the governing body fails to comply with the
21 requirements of this section, the governing body shall not fix, levy or
22 assess an amount of primary property taxes that exceeds the preceding year's
23 amount, except for amounts attributable to new construction AND AMOUNTS
24 ATTRIBUTABLE TO INFLATION.

25 ~~C.~~ D. For the purposes of this section: ~~—~~

26 1. "AMOUNT ATTRIBUTABLE TO INFLATION" MEANS AN ANNUAL ADJUSTMENT OF
27 THE PRIMARY PROPERTY TAX LEVY DETERMINED BY THE PROPERTY TAX OVERSIGHT
28 COMMISSION ACCORDING TO THE AVERAGE OF THE PRICE DEFLATORS FOR THE GROSS
29 DOMESTIC PRODUCT REPORTED BY THE UNITED STATES DEPARTMENT OF COMMERCE OR ITS
30 SUCCESSOR FOR THE FOUR MOST RECENT FISCAL QUARTERS.

31 2. "Amount attributable to new construction" means the net assessed
32 valuation of property added to the tax roll since the previous year
33 multiplied by a property tax rate computed by dividing the primary property
34 tax levy of the county, city or town in the preceding year by the estimate of
35 the total net assessed valuation of the county, city or town for the current
36 year, excluding the net assessed valuation attributable to new construction.

37 Sec. 4. 2006 primary property tax levies; counties, cities,
38 towns and community college districts

39 Notwithstanding sections 15-1461.01 and 42-17107, Arizona Revised
40 Statutes, as amended by this act, for tax year 2006, a county, city, town or
41 community college district shall not fix, levy or assess an amount of primary
42 property taxes that exceeds the amount levied in the 2005 tax year, excluding
43 amounts that are attributable to new construction and inflation.