

State of Arizona
Senate
Forty-seventh Legislature
Second Regular Session
2006

SENATE BILL 1206

AN ACT

AMENDING SECTION 42-17151, ARIZONA REVISED STATUTES; RELATING TO SCHOOL DISTRICT TAXES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 42-17151, Arizona Revised Statutes, is amended to
3 read:

4 42-17151. County, municipal, community college and school tax
5 levy

6 A. On or before the third Monday in August each year the governing
7 body of each county, city, town, community college district and school
8 district shall:

9 1. Fix, levy and assess the amount to be raised from primary property
10 taxation and secondary property taxation. This amount, plus all other
11 sources of revenue, as estimated, and unencumbered balances from the
12 preceding fiscal year, shall equal the total of amounts proposed to be spent
13 in the budget for the current fiscal year.

14 2. Designate the amounts to be levied for each purpose appearing in
15 the adopted budget.

16 3. Fix and determine a primary property tax rate and a secondary
17 property tax rate, each rounded to four decimal places on each one hundred
18 dollars of taxable property shown by the finally equalized valuations of
19 property, less exemptions, that appear on the tax rolls for the fiscal year
20 and that when extended on those valuations will produce, in the aggregate,
21 the entire amount to be raised by direct taxation for that year.

22 B. The governing body of a county, city, town or community college
23 district shall not fix, levy or assess an amount of primary property taxes in
24 excess of the amount permitted by section 42-17051, subsection A, paragraph 7
25 or section 42-17005 as determined by the property tax oversight commission.

26 C. THE GOVERNING BOARD OF A COMMON SCHOOL DISTRICT, A HIGH SCHOOL
27 DISTRICT OR A UNIFIED SCHOOL DISTRICT SHALL NOT FIX, LEVY OR ASSESS A PRIMARY
28 PROPERTY TAX RATE HIGHER THAN THE CURRENT YEAR'S RATE IF THE DISTRICT MEETS
29 THE FOLLOWING CRITERIA, AS DETERMINED BY THE PROPERTY TAX OVERSIGHT
30 COMMISSION:

31 1. THE TOTAL PRIMARY PROPERTY TAXES LEVIED FOR ALL TAXING
32 JURISDICTIONS ON AT LEAST ONE-HALF OF THE RESIDENTIAL PROPERTY OF THE
33 DISTRICT EXCEED THE LIMITATION DESCRIBED IN SECTION 15-972, SUBSECTION E.

34 2. THE SCHOOL DISTRICT PRIMARY PROPERTY TAX RATE EXCEEDS ONE HUNDRED
35 FIFTY PER CENT OF THE APPLICABLE QUALIFYING TAX RATE PURSUANT TO SECTION
36 41-1276.

37 D. NO LATER THAN DECEMBER 31, THE PROPERTY TAX OVERSIGHT COMMISSION
38 SHALL NOTIFY THOSE SCHOOL DISTRICTS THAT MEET THE CRITERIA DESCRIBED IN
39 SUBSECTION C OF THIS SECTION AND THE COUNTY SCHOOL SUPERINTENDENTS AND BOARDS
40 OF SUPERVISORS OF THE COUNTIES IN WHICH THE SCHOOL DISTRICTS ARE LOCATED.

41 ~~E.~~ E. Within three days after the final levies are determined for a
42 county, city, town or community college district, the chief county fiscal
43 officer shall notify the property tax oversight commission of the amount of
44 the primary property tax levied.