

REFERENCE TITLE: tax exemption; personal property

State of Arizona  
House of Representatives  
Forty-eighth Legislature  
First Regular Session  
2007

## **HB 2507**

Introduced by  
Representatives Murphy: Groe, Pearce, Stump

**AN ACT**

**AMENDING SECTION 42-11127, ARIZONA REVISED STATUTES; RELATING TO PROPERTY TAX EXEMPTIONS.**

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 42-11127, Arizona Revised Statutes, is amended to  
3 read:

4 42-11127. Exempt personal property; definition

5 A. Pursuant to article IX, section 2, subsection (6) AND ARTICLE IX,  
6 SECTION 2.3, Constitution of Arizona, personal property that is class two  
7 property pursuant to section 42-12002, paragraph 2, subdivision (a) or (b)  
8 that is used for agricultural purposes or personal property that is class one  
9 property pursuant to section 42-12001 that is used in a trade or business as  
10 described in section 42-12001, paragraphs 8 through 11 or 13 is exempt from  
11 taxation up to a maximum amount of ~~fifty thousand~~ TEN MILLION dollars of full  
12 cash value for each taxpayer.

13 B. On or before December 31 OF each year, the department shall  
14 increase the maximum amount of the exemption for the following tax year based  
15 on the average annual percentage increase, if any, in the GDP price deflator  
16 in the two most recent complete state fiscal years.

17 C. ~~It~~ FOR THE PURPOSES OF this section, "GDP price deflator" means the  
18 average of the four implicit price deflators for the gross domestic product  
19 reported by the United States department of commerce or its successor for the  
20 four quarters of the state fiscal year.