

REFERENCE TITLE: income tax phase-out

State of Arizona
Senate
Forty-ninth Legislature
Second Regular Session
2010

SCR 1008

Introduced by
Senator Gray C

A CONCURRENT RESOLUTION

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA; AMENDING ARTICLE IX,
SECTION 12, CONSTITUTION OF ARIZONA; RELATING TO TAXATION.

(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. Article IX, section 12, Constitution of Arizona, is proposed to be
4 amended as follows if approved by the voters and on proclamation of the
5 Governor:

6 12. Authority to provide for levy and collection of
7 license and other taxes

8 Section 12. A. EXCEPT AS PROVIDED BY SUBSECTION B OF
9 THIS SECTION, the law-making power shall have authority to
10 provide for the levy and collection of license, franchise, gross
11 revenue, excise, income, collateral and direct inheritance,
12 legacy, and succession taxes, also graduated income taxes,
13 graduated collateral and direct inheritance taxes, graduated
14 legacy and succession taxes, stamp, registration, production, or
15 other specific taxes.

16 B. BEGINNING JANUARY 1, 2015, THE INCOME OF INDIVIDUALS,
17 CORPORATIONS AND OTHER LEGAL ENTITIES SHALL NOT BE SUBJECT TO
18 TAXATION BY THIS STATE OR BY ANY COUNTY, CITY, TOWN OR OTHER
19 POLITICAL SUBDIVISION OF THIS STATE. THE LEGISLATURE SHALL
20 PROVIDE FOR ANNUAL REDUCTIONS IN THE RATES OF INDIVIDUAL AND
21 CORPORATE INCOME TAXES IN ORDER TO ELIMINATE INCOME TAXATION
22 BEFORE JANUARY 1, 2015. THE LEGISLATURE MAY ENACT INCREASES IN
23 THE RATES OF TRANSACTION PRIVILEGE TAXATION ON BUSINESS
24 CLASSIFICATIONS IN EFFECT ON JANUARY 1, 2010, TO COMPENSATE FOR
25 INCOME TAX REVENUE REDUCTION UNDER THIS SUBSECTION, AND OTHER
26 CONFORMING STATUTORY PROVISIONS, AND THOSE ENACTMENTS ARE EXEMPT
27 FROM THE REQUIREMENTS OF SECTION 22 OF THIS ARTICLE IF THEY ARE
28 MERELY COMPENSATORY AND DO NOT PROVIDE FOR A NET INCREASE IN
29 STATE REVENUES.

30 2. This measure shall be referred to as the "Arizona Fair Tax".

31 3. The Secretary of State shall submit this proposition to the voters
32 at the next general election as provided by article XXI, Constitution of
33 Arizona.