

State of Arizona
Senate
Fiftieth Legislature
Second Regular Session
2012

SENATE CONCURRENT RESOLUTION 1012

A CONCURRENT RESOLUTION

**PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA; AMENDING ARTICLE IX,
SECTION 2, CONSTITUTION OF ARIZONA; RELATING TO PROPERTY TAX EXEMPTIONS.**

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

6 2. Property subject to taxation: exemptions

7 Section 2. (1) There shall be exempt from taxation all
8 federal, state, county and municipal property.

9 (2) Property of educational, charitable and religious
10 associations or institutions not used or held for profit may be
11 exempt from taxation by law.

12 (3) Public debts, as evidenced by the bonds of Arizona,
13 its counties, municipalities or other subdivisions, shall also
14 be exempt from taxation.

15 (4) All household goods owned by the user thereof and
16 used solely for noncommercial purposes shall be exempt from
17 taxation, and such person entitled to such exemption shall not
18 be required to take any affirmative action to receive the
19 benefit of such exemption.

20 (5) Stocks of raw or finished materials, unassembled
21 parts, work in process or finished products constituting the
22 inventory of a retailer or wholesaler located within the state
23 and principally engaged in the resale of such materials, parts
24 or products, whether or not for resale to the ultimate consumer,
25 shall be exempt from taxation.

26 (6) The legislature may exempt personal property that is
27 used for agricultural purposes or in a trade or business from
28 taxation in a manner provided by law, except that the exemption
29 does not apply to any amount of the full cash value of the
30 personal property of a taxpayer that exceeds:

31 (a) AN AMOUNT THAT IS EQUAL TO THE ANNUAL EARNINGS OF
32 FIFTY WORKERS IN THIS STATE ACCORDING TO A DESIGNATED NATIONAL
33 MEASURE OF EARNINGS PER EMPLOYEE ADJUSTED ANNUALLY. THE EXEMPT
34 AMOUNT ALLOWED UNDER THIS PARAGRAPH APPLIES TO THE PERSONAL
35 PROPERTY OF A TAXPAYER THAT IS INITIALLY ACQUIRED, AS DEFINED BY
36 LAW, DURING OR AFTER TAX YEAR 2013.

37 (b) Fifty thousand dollars. The legislature may provide
38 by law to increase the exempt amount according to annual
39 variations in a designated national inflation index. THE EXEMPT
40 AMOUNT ALLOWED UNDER THIS PARAGRAPH APPLIES TO THE PERSONAL
41 PROPERTY OF A TAXPAYER THAT IS INITIALLY ACQUIRED, AS DEFINED BY
42 LAW, BEFORE TAX YEAR 2013.

43 (7) The legislature may exempt the property of cemeteries
44 that are set apart and used to inter deceased human beings from
45 taxation in a manner provided by law.

1 (8) There shall be further exempt from taxation the
2 property of each honorably discharged airman, soldier, sailor,
3 United States marine, member of revenue marine service, the
4 coast guard, nurse corps or of any predecessor or of the
5 component of auxiliary of any thereof, resident of this state,
6 in the amount of:

7 (a) One thousand five hundred dollars if the total
8 assessment of such person does not exceed three thousand five
9 hundred dollars.

10 (b) One thousand dollars if the total assessment of such
11 person does not exceed four thousand dollars.

12 (c) Five hundred dollars if the total assessment of such
13 person does not exceed four thousand five hundred dollars.

14 (d) Two hundred fifty dollars if the total assessment of
15 such person does not exceed five thousand dollars.

16 (e) No exemption if the total assessment of such person
17 exceeds five thousand dollars.

18 No such exemption shall be made for such person unless
19 such person shall have served at least sixty days in the
20 military or naval service of the United States during World War
21 I or prior wars and shall have been a resident of this state
22 prior to September 1, 1945.

23 (9) There shall be further exempt from taxation as herein
24 provided the property of each honorably discharged airman,
25 soldier, sailor, United States marine, member of revenue marine
26 service, the coast guard, nurse corps or of any predecessor or
27 of the component of auxiliary of any thereof, resident of this
28 state, where such person has a service-connected disability as
29 determined by the United States veterans administration or its
30 successor. No such exemption shall be made for such person
31 unless he shall have been a resident of this state prior to
32 September 1, 1945 or unless such person shall have been a
33 resident of this state for at least four years prior to his
34 original entry into service as an airman, soldier, sailor,
35 United States marine, member of revenue marine service, the
36 coast guard, nurse corps or of any predecessor or of the
37 component of auxiliary of any thereof. The property of such
38 person having a compensable service-connected disability exempt
39 from taxation as herein provided shall be determined as follows:

40 (a) If such person's service-connected disability as
41 determined by the United States veterans administration or its
42 successor is sixty per cent or less, the property of such person
43 exempt from taxation shall be determined by such person's
44 percentage of disability multiplied by the assessment of such
45 person in the amount of:

1 (i) One thousand five hundred dollars if the total
2 assessment of such person does not exceed three thousand five
3 hundred dollars.

4 (ii) One thousand dollars if the total assessment of such
5 person does not exceed four thousand dollars.

6 (iii) Five hundred dollars if the total assessment of
7 such person does not exceed four thousand five hundred dollars.

8 (iv) Two hundred fifty dollars if the total assessment of
9 such person does not exceed five thousand dollars.

10 (v) No exemption if the total assessment of such person
11 exceeds five thousand dollars.

12 (b) If such person's service-connected disability as
13 determined by the United States veterans administration or its
14 successor is more than sixty per cent, the property of such
15 person exempt from taxation shall be in the amount of:

16 (i) One thousand five hundred dollars if the total
17 assessment of such person does not exceed three thousand five
18 hundred dollars.

19 (ii) One thousand dollars if the total assessment of such
20 person does not exceed four thousand dollars.

21 (iii) Five hundred dollars if the total assessment of
22 such person does not exceed four thousand five hundred dollars.

23 (iv) Two hundred fifty dollars if the total assessment of
24 such person does not exceed five thousand dollars.

25 (v) No exemption if the total assessment of such person
26 exceeds five thousand dollars.

27 (10) There shall be further exempt from taxation the
28 property of each honorably discharged airman, soldier, sailor,
29 United States marine, member of revenue marine service, the
30 coast guard, nurse corps or of any predecessor or of the
31 component of auxiliary of any thereof, resident of this state,
32 where such person has a nonservice-connected total and permanent
33 disability, physical or mental, as so certified by the United
34 States veterans administration, or its successor, or such other
35 certification as provided by law, in the amount of:

36 (a) One thousand five hundred dollars if the total
37 assessment of such person does not exceed three thousand five
38 hundred dollars.

39 (b) One thousand dollars if the total assessment of such
40 person does not exceed four thousand dollars.

41 (c) Five hundred dollars if the total assessment of such
42 person does not exceed four thousand five hundred dollars.

43 (d) Two hundred fifty dollars if the total assessment of
44 such person does not exceed five thousand dollars.

1 (e) No exemption if the total assessment of such person
2 exceeds five thousand dollars.

3 No such exemption shall be made for such person unless he
4 shall have served at least sixty days in the military or naval
5 service of the United States during time of war after World
6 War I and shall have been a resident of this state prior to
7 September 1, 1945.

8 (11) There shall be further exempt from taxation the
9 property of each widow, resident of this state, in the amount
10 of:

11 (a) One thousand five hundred dollars if the total
12 assessment of such widow does not exceed three thousand five
13 hundred dollars.

14 (b) One thousand dollars if the total assessment of such
15 widow does not exceed four thousand dollars.

16 (c) Five hundred dollars if the total assessment of such
17 widow does not exceed four thousand five hundred dollars.

18 (d) Two hundred fifty dollars if the total assessment of
19 such widow does not exceed five thousand dollars.

20 (e) No exemption if the total assessment of such widow
21 exceeds five thousand dollars.

22 In order to qualify for this exemption, the income from
23 all sources of such widow, together with the income from all
24 sources of all children of such widow residing with the widow in
25 her residence in the year immediately preceding the year for
26 which such widow applies for this exemption, shall not exceed:

27 1. Seven thousand dollars if none of the widow's children
28 under the age of eighteen years resided with her in such widow's
29 residence; or

30 2. Ten thousand dollars if one or more of the widow's
31 children residing with her in such widow's residence was under
32 the age of eighteen years, or was totally and permanently
33 disabled, physically or mentally, as certified by competent
34 medical authority as provided by law.

35 Such widow shall have resided with her last spouse in this
36 state at the time of the spouse's death if she was not a widow
37 and a resident of this state prior to January 1, 1969.

38 (12) No property shall be exempt which has been conveyed
39 to evade taxation. The total exemption from taxation granted to
40 the property owned by a person who qualifies for any exemption
41 in accordance with the terms of subsections (8), (9), (10) or
42 (11) shall not exceed one thousand five hundred dollars. The
43 provisions of this section shall be self-executing.

1 (13) All property in the state not exempt under the laws
2 of the United States or under this constitution or exempt by law
3 under the provisions of this section shall be subject to
4 taxation to be ascertained as provided by law.

5 2. Short title

6 This measure shall be known as and may be cited as the "Small Business
7 Job Creation Act."

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