HOUSE OF REPRESENTATIVES

SB 1486

2013-2014; revenue; budget reconciliation
Sponsors: Senators Biggs, Driggs, McComish, et al.

X Committee on Appropriations

Caucus and COW

House Engrossed

OVERVIEW
SB 1486 makes temporary and permanent statutory changes relating to state revenues in order to implement the Fiscal Year (FY) 2013-14 state budget.

Summary of the Proposed Strike-Everything Amendment to SB 1486
The proposed strike-everything amendment to SB 1486 makes temporary and permanent statutory changes relating to state revenues in order to implement the FY 2013-14 state budget.

PROVISIONS

- Codifies the ability of the Registrar of Contractors to expend up to 14% of the prior FY revenues from the Residential Contractor's Recovery Fund for employees, contracted services, equipment, and operational support.
- Directs DOR, beginning tax year 2014, to annually adjust income dollar amounts for each income tax bracket to reflect the annual changes to the Metropolitan Phoenix Consumer Price Index, with the stipulation that revised income dollar amounts are raised to the nearest whole dollar and are not revised below the amounts prescribed in the prior taxable year.
- Removes requirement, beginning tax year 2013, that taxpayers include as part of Arizona adjusted gross income the amount in excess of $25,000 with respect to property for which an expense deduction was taken pursuant to Section 179 of the Internal Revenue Code.
- Provides, retroactive to, from, and after June 30, 2011, that insurers and taxpayers who claimed first year tax credits for employees hired in a qualified employment position pursuant to the former A.R.S. 41-1525 (C) (Enterprise Zone statute) are not required to file for second and third year tax credits under the current statute.
- Exempts the following agencies from rule-making requirements relating to increasing fees for FY 2013-14, with the Legislative intent that the generated revenue does not exceed the corresponding amount:
  - Arizona Department of Racing - $2,600,000
  - Office of Pest Management - $525,000
  - Radiation Regulatory Agency - $561,000
- Exempts the Director of the Arizona Department of Agriculture from rule-making relating to the continuation of FY 2012-13 fees for FY 2013-14, with the Legislative intent that the generated revenue does not exceed:
  - $218,000 to the State General Fund.
  - $113,000 to the Pesticide Trust Fund.
  - $26,000 to the Dangerous Plants, Pests and Diseases Trust Fund.

- Prohibits the Director of the Arizona Department of Insurance (DOI) from revising fees or assessments in FY 2013-14 in order to meet the statutory requirement that DOI recover between 95% and 110% of its appropriated budget.
- Allows counties with a population of less than 200,000 persons, according to the 2010 census, to use any source of county revenue to meet its fiscal obligations in FY 2013-14 with the stipulation that the county report the specific source and amount of revenues the county intends to use to the Joint Legislative Budget Committee by October 1, 2013.
- Allows the Superintendant of the Department of Financial Institutions (DFI) to use monies from the DFI Receivership Revolving Fund for an electronic licensing system, with the Legislative intent that such expenditures do not exceed $850,000.