Fifty-second Legislature
First Regular Session

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2069

(Reference to printed bill)

1 Strike everything after the enacting clause and insert:

"Section 1. Title 43, chapter 10, article 2, Arizona Revised Statutes, is amended by adding section 43-1013, to read:

43-1013. Income tax rate reduction for transaction privilege and use taxes on internet sales; definition

A. The department shall estimate the amount of additional revenue collected during the first full taxable year following the date that the department begins collecting, as a result of a qualifying federal law, transaction privilege and use taxes from out-of-state retailers on purchases made by residents of this state.

B. After the department makes its estimate under subsection A of this section, the department shall determine the amount that individual income taxes may be reduced in the following taxable year in order to decrease individual income tax revenue by the amount of its estimate under subsection A of this section. For the purposes of this subsection, the department shall calculate the tax rate reductions for each individual income tax bracket prescribed in section 43-1011 in proportion to the share of the individual income tax collections attributable to each of the tax brackets in effect during the most recently completed taxable year.

C. The department shall certify the amounts under subsections A and B of this section to the governor, the speaker of the house of representatives and the president of the senate and shall specify in the certification that the new tax rates take effect in the taxable year following the taxable year during which the department makes the certification."
D. FOR THE PURPOSES OF THIS SECTION, "QUALIFYING FEDERAL LAW" MEANS ANY FEDERAL LAW TO EXPAND THIS STATE'S AUTHORITY TO REQUIRE OUT-OF-STATE RETAILERS TO COLLECT AND REMIT TO THIS STATE TRANSACTION PRIVILEGE AND USE TAXES ON PURCHASES MADE BY RESIDENTS OF THIS STATE.

Sec. 2. Intent

It is the intent of the legislature that this act not be viewed as legislative support for or opposition to the Marketplace Fairness Act or similar federal law."

Amend title to conform

JAVAN D. MESNARD

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C: dmt