

COMMITTEE ON WAYS AND MEANS

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Bill	Chapter	Short Title	Page
HB 2025	359	utilities TPT; sales of propane.....	3
HB 2054	177	debt limitations; net assessed value	3
HB 2125	179	district boundary modifications; parcel lines	3
HB 2301	189	bonding; sale; premiums; refunding; refinance.....	3
HB 2308	88	special health care districts; treasurer	3
HB 2343	239	unclaimed property; auditor contingency contracts	3
HB 2387	247	racing; hardship tax credit; elimination	3
HB 2449	197	taxation; self-reported errors; injured spouses	4
HB 2476	242	school property; sales; leases; use.....	4
HB 2481	364	schools; primary property tax rates.....	4
HB 2536	368	fine art; TPT exemption.....	4
HB 2538	334	municipal bonds; tax levy.....	4
HB 2561	264	sanitary district refunding bonds	4
HB 2674	373	TPT exemption; amateur races.....	5
HB 2676	374	utilities; manufacturing; smelting; TPT	5
SB 1095	215	department of revenue; continuation	5
SB 1117	48	school districts; adjacent ways; verification	5
SB 1157	144	small property tax balance delinquency.....	5
SB 1216	109	charitable donations; tax credit amounts	5
SB 1217	309	charitable tax credit; contribution date	6
SB 1288	155	internal revenue code; conformity.....	6
SB 1289	156	2016 tax correction act.....	6
SB 1310	223	TPT exemption; billboard rentals	6

SB 1350	208	online lodging; administration; definitions	6
SB 1523	173	truth in taxation; levy increases.....	7

[Back to Bill Index](#)

HB 2025 (Chapter 359): utilities TPT; sales of propane

Exempts the sale of liquefied petroleum gas to a business that is engaged in manufacturing and smelting operations and that uses at least 51% of the liquefied petroleum gas in these operations from TPT and use tax. Effective: September 1, 2016.

Click [here](#) for the bill history.

HB 2054 (Chapter 177): debt limitations; net assessed value

Clarifies that JTED's, school districts, counties, cities and towns are required to base bond indebtedness limits on the NAV of the FCV of all properties within their jurisdiction. Effective: August 6, 2016.

Click [here](#) for the bill history.

HB 2125 (Chapter 179): district boundary modifications; parcel lines

Allows a property owner whose parcel is split by a STD boundary line to request that the county assessor modify the boundary line so that the entire parcel is contained within only one district of the same type. Effective: August 6, 2016.

Click [here](#) for the bill history.

HB 2301 (Chapter 189): bonding; sale; premiums; refunding; refinance

Modifies procedures for the issuance of bonds and refunding bonds in counties, municipalities and STD's. Requires all general obligation bonds to be secured by a lien in the amount of the tax levy revenues to pay for the bond. Removes the net premium caps for bonds and refunding bonds and outlines what the premium may be used for. Authorizes municipal improvement districts to issue refunding bonds. Removes the requirement that any bond sold in a public offering receive one of the four highest investment grade ratings by a nationally recognized agency. Allows county, municipal and STD bonds to be sold by a negotiated sale. Effective: August 6, 2016.

Click [here](#) for the bill history.

HB 2308 (Chapter 88): special health care districts; treasurer

Removes a special health care district board's ability to appoint a treasurer other than the county treasurer and use other servicing banks. Specifies that the county and county treasurer are not liable for any special health care district monies not disbursed by the district board of directors, unless and until the monies are transferred to the county treasurer. Effective: August 6, 2016.

Click [here](#) for the bill history.

HB 2343 (Chapter 239): unclaimed property; auditor contingency contracts

Requires DOR to establish procedures to monitor the performance of contingent fee contract auditors. Specifies that an auditor conducting an audit on unclaimed property must provide a notice of rights to holders of the unclaimed property. Effective: August 6, 2016.

Click [here](#) for the bill history.

HB 2387 (Chapter 247): racing; hardship tax credit; elimination

Repeals the hardship tax credit for permittees authorized to conduct racing. Effective: May 13, 2016.

Click [here](#) for bill history.

HB 2449 (Chapter 197): taxation; self-reported errors; injured spouses

Allows a taxpayer to apply to DOR for protection of the taxpayer's share of any overpayment or refund from setoff for the past due state taxes, child support, spousal maintenance or debts to courts or state agencies of the taxpayer's spouse. Allows taxpayers to correct underpaid tax returns without penalty. Effective: January 1, 2017.

Click [here](#) for the bill history.

HB 2476 (Chapter 242): school property; sales; leases; use

Repeals and replaces statutory language governing the use of proceeds from the sale and lease of school property. Allows school districts to use monies generated from property sales that took place prior to 2016 or leases longer than one year for M&O, with restrictions dependent upon whether the district is a high or low debt district. For sales over \$100,000, after 2016, monies may not be used for M&O. High debt districts are required to, first, use 38% of the monies to reduce their tax rate and then may use remaining monies towards capital. Low debt districts may use any amount for capital. Proceeds from leases shorter than one year may be used without any restrictions, along with proceeds from leases to schools and the sale of school property worth less than \$100,000. Effective: August 6, 2016.

Click [here](#) for bill history.

HB 2481 (Chapter 364): schools; primary property tax rates

Requires school districts to levy taxes at a rate equaling the lesser of the QTR and the DSL, along with any additional levy requests that are outside the RCL at specified rates. Eliminates the 4% cap on school district budget balance carryforwards. Requires monies remaining after construction of a bond authorized project or after the sale of a bond, to be used to reduce school district taxes. Effective: August 6, 2016.

Click [here](#) for the bill history.

HB 2536 (Chapter 368): fine art; TPT exemption

Exempts the sale of works of fine art at an auction or gallery to a nonresident, for use outside of the state, from TPT. Effective: September 1, 2016.

Click [here](#) for bill history.

HB 2538 (Chapter 334): municipal bonds; tax levy

Expands the list of expenses that an annual tax levy for bond payments may be used for to include projected payments of principal and interest on new debt for the ensuing year and amounts necessary to correct prior year shortages in the levy. Effective: August 6, 2016.

Click [here](#) for bill history.

HB 2561 (Chapter 264): sanitary district refunding bonds

Authorizes the board of directors of a sanitary district to issue refunding bonds if the total amount of the principal and interest on the refunding bonds does not exceed the total amount of principal and interest on the bonds to be refunded. Allows the sanitary district treasurer to enter into trust agreements with banks for the handling and safekeeping of monies derived from the refunding bond. Requires the district board of directors to file a modified assessment reflecting the reduction after the issuance of the refunding bond and to recalculate the assessments for payments of the bond. Effective: August 6, 2016.

Click [here](#) for the bill history.

HB 2674 (Chapter 373): TPT exemption; amateur races

Exempts the gross proceeds of sales or gross income derived from entry fees to a nonprofit organization sponsored run, walk, swim or bicycle ride from TPT. Those events that are not sponsored by a nonprofit organization are also exempt from TPT, but only until March 1, 2017. Effective: August 6, 2016.

Click [here](#) for the bill history.

HB 2676 (Chapter 374): utilities; manufacturing; smelting; TPT

Modifies the statutory definitions of *qualified manufacturing or smelting business* and *manufacturing* for the purposes of TPT exemptions on electricity and natural gas used in the businesses of manufacturing or smelting. Effective: January 1, 2017.

Click [here](#) for the bill history.

SB 1095 (Chapter 215): department of revenue; continuation

Continues DOR for four years, until July 1, 2020. Effective: July 1, 2016.

Click [here](#) for the bill history.

SB 1117 (Chapter 48): school districts; adjacent ways; verification

Restricts a school district from making an adjacent ways expenditure with a cost exceeding \$50,000, unless otherwise validated by the SFB. Requires all adjacent ways project proposals, funded through a special assessment, to be filed with SFB and to include the project cost estimate. Effective: August 6, 2016.

Click [here](#) for the bill history.

SB 1157 (Chapter 144): small property tax balance delinquency

Extends the date of delinquency for property taxes equaling \$100 or less from November 1 to December 31. Effective: August 6, 2016.

Click [here](#) for the bill history.

SB 1216 (Chapter 109): charitable donations; tax credit amounts

Increases the amount a taxpayer may claim as a tax credit for contributions made to a qualifying charitable organization from \$200 to \$400 for individuals and from \$400 to \$800 for married couples. Increases the amount of tax credit a taxpayer may claim for contributions to a foster care charitable organization from \$400 to \$500 for individuals and from \$800 to \$1000 for

married couples. Allows a taxpayer to claim both of these tax credits separately. Effective: January 1, 2016.

Click [here](#) for the bill history.

SB 1217 (Chapter 309): charitable tax credit; contribution date

Allows a tax credit for contributions made to a charitable organization to be applied to the current or preceding taxable year, if made by April 15th. Effective: January 1, 2016.

Click [here](#) for the bill history.

SB 1288 (Chapter 155): internal revenue code conformity

Conforms Arizona tax statutes to the IRC as of January 1, 2016. Effective: August 6, 2016.

Click [here](#) for the bill history.

SB 1289 (Chapter 156): 2016 tax correction act

Makes technical and conforming changes, corrects errors and removes obsolete language from statute as suggested by DOR and Legislative Council. Effective: August 6, 2016.

Click [here](#) for the bill history.

SB 1310 (Chapter 223): TPT exemption; billboard rentals

Exempts the leasing or renting of billboards used to advertise or inform and that are visible from any street, road or other highway from the personal property rental classification of TPT. Effective August 6, 2016.

Click [here](#) for bill history.

SB 1350 (Chapter 208): online lodging; administration; definitions

Allows an online lodging marketplace to register with DOR for the payment of all state and local TPT under the online lodging marketplace classification, on behalf of all online lodging operators. Establishes that a city, town or county may not prohibit, restrict or regulate vacation rentals or short term rentals, except for the purpose of protecting public health and safety. Allows a property manager who is licensed with DOR to file an electronic consolidated tax return with DOR, monthly, with respect to gross proceeds or gross income derived from the individual properties under management, on behalf of the property owners. Establishes a Hospitality Studies Scholarship Fund, used to provide scholarships to students entering into or enrolled in a hospitality studies program at any university under ABOR. Establishes the 16-member Joint Legislative Study Committee on Transient Lodging for the purposes of considering current state and local government laws and regulations on transient lodging businesses. Effective: January 1, 2017.

Click [here](#) for the bill history.

SB 1523 (Chapter 173): truth in taxation; levy increases

Requires a proposed community college district, county or municipal tax levy that increased by 15% or more from the previous year, excluding increases due to new construction, to be approved by the jurisdiction's governing body by a unanimous roll call vote. Effective: August 6, 2016.

Click [here](#) for the bill history.