

Ad Hoc Joint Committee on the Tax Treatment of Digital Goods and Services

PURPOSE: To study: (1) Arizona's current statutes, rules, and guidelines regarding the tax treatment of digital goods and services. This should include a review of the current position of the Arizona Department of Revenue and the Department's efforts to disseminate that position to affected businesses and taxpayers; (2) the current legal issues surrounding the taxation of digital goods and services in Arizona as well as other states; (3) the administrative implications associated with the taxation of digital goods and services, including its impact on taxpayer compliance and tax administration; (4) the tax treatment of digital goods and services in other states and the economic impacts associated with the taxation of digital goods and services; (5) the potential Arizona tax impact associated with the state and local taxation of digital goods and services; and (6) an overview of recent legislative and regulatory actions designed to address the tax treatment of digital goods and services at the state and local levels in Arizona and other states.

MEMBERSHIP:

House Three members of the House of Representatives, not more than two from the same political party and one designated as Co-Chair, appointed by the Speaker of the House of Representatives:

Mark A. Cardenas, Michelle B. Ugenti-Rita (Co-Chair), Jeff Weninger

Senate Three members of the Senate, not more than two from the same political party and one designated as Co-Chair, appointed by the President of the Senate:

Sean Bowie, Karen Fann, David C. Farnsworth (Co-Chair)

Other One representative of an Arizona city or town with experience in the administration of transaction privilege tax, appointed by the President of the Senate:

Mr. Tom Belshe, Arizona League of Cities and Towns (12/31/2017)

One tax professional or practitioner representing Arizona taxpayers with expertise in transaction privilege taxes, appointed by the Speaker of the House of Representatives:

Mr. Patrick Derdenger

One representative of a statewide taxpayer association, appointed by the Speaker of the House of Representatives:

Mr. Kevin McCarthy, President, Arizona Tax Research Association

One tax professional or practitioner representing Arizona taxpayers with expertise in transaction privilege taxes, appointed by the President of the Senate:

Mr. Bill Molina, Apollo Group (12/31/2017)

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The Director of the Arizona Department of Revenue or the Director's designee:
Mr. Grant Nülle, Arizona Department of Revenue (12/31/2017)

CONTACT: Fareed Bailey, Senate Research Staff; Michael Madden, House Research Staff

REPORT DATE: None

EXPIRATION DATE: 12/31/2017

STATUTORY CITE: