

REFERENCE TITLE: temporary sales tax; repeal

State of Arizona
Senate
Forty-ninth Legislature
Sixth Special Session
2010

SCR 1001

Introduced by
Senators Burns, Leff, Lopez, Pierce S: Chevront, Garcia, Gray L

A CONCURRENT RESOLUTION

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA; AMENDING ARTICLE IX, CONSTITUTION OF ARIZONA, BY ADDING SECTION 12.1; RELATING TO TEMPORARY TRANSACTION PRIVILEGE AND USE TAXES.

(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, Constitution of Arizona, is proposed to be amended by
4 adding section 12.1 as follows if approved by the voters and on proclamation
5 of the Governor:

6 12.1. Temporary taxes: repeal from and after May 31, 2013

7 SECTION 12.1. A. A TEMPORARY TAX IS LEVIED FOR THE
8 PURPOSE OF RAISING STATE REVENUES FOR PRIMARY AND SECONDARY
9 EDUCATION, HEALTH AND HUMAN SERVICES AND PUBLIC SAFETY.

10 B. THE TEMPORARY TAX IS LEVIED AND SHALL BE COLLECTED
11 BEGINNING ON JUNE 1, 2010 AND SHALL CONTINUE FOR THIRTY-SIX
12 CONSECUTIVE CALENDAR MONTHS, AFTER WHICH THE TEMPORARY TAX IS
13 REPEALED.

14 C. THE TEMPORARY TAX IS LEVIED AS A SEPARATE RATE
15 INCREMENT IN ADDITION TO THE STATE TRANSACTION PRIVILEGE TAX
16 RATES AND THE USE TAX RATE. THE RATE OF THE TEMPORARY TAX IS
17 ONE PER CENT OF THE TAX BASE FOR EACH TRANSACTION PRIVILEGE
18 CLASSIFICATION THAT IS SUBJECT TO A RATE OF FIVE PER CENT OR
19 MORE AND ONE PER CENT OF THE TAX BASE FOR THE USE TAX.

20 D. THE TEMPORARY TAX IS SUBJECT TO THE SAME EXEMPTIONS,
21 DEDUCTIONS AND EXCLUSIONS AS PROVIDED BY LAW FOR EACH
22 TRANSACTION PRIVILEGE TAX CLASSIFICATION AND FOR THE USE TAX.

23 E. THE NET REVENUES DERIVED FROM THE TEMPORARY TAX
24 IMPOSED BY THIS SECTION ARE NOT SUBJECT TO DISTRIBUTION TO
25 COUNTIES, MUNICIPALITIES OR OTHER GOVERNMENTAL ENTITIES BUT
26 SHALL BE CREDITED TO, AND SEPARATELY ACCOUNTED IN, THE STATE
27 GENERAL FUND AND APPROPRIATED AS FOLLOWS:

28 1. TWO-THIRDS OF THE REVENUES SHALL BE APPROPRIATED FOR
29 PUBLIC PRIMARY AND SECONDARY EDUCATION.

30 2. ONE-THIRD OF THE REVENUES SHALL BE APPROPRIATED FOR
31 HEALTH AND HUMAN SERVICES AND PUBLIC SAFETY PURPOSES.

32 F. THE TEMPORARY TAXES UNDER THIS SECTION ARE DUE AND
33 PAYABLE AT THE SAME TIME AND IN THE SAME MANNER, AND ARE SUBJECT
34 TO THE SAME PROVISIONS FOR ADMINISTRATION AND ENFORCEMENT, AS
35 PROVIDED BY LAW FOR OTHER TRANSACTION PRIVILEGE AND USE TAXES.

36 G. THE REPEAL OF THE TEMPORARY TAX UNDER THIS SECTION
37 DOES NOT AFFECT THE CONTINUING VALIDITY OF OUTSTANDING AND
38 UNPAID TAX OBLIGATIONS THAT ACCRUE UNDER THIS SECTION, INCLUDING
39 ANY PENALTIES AND INTEREST THAT ACCRUE THEREAFTER BY LAW ON THE
40 UNPAID OBLIGATIONS.

41 H. THE TEMPORARY TAX UNDER THIS SECTION IS REPEALED FROM
42 AND AFTER MAY 31, 2013.

43 2. The Secretary of State shall submit this proposition to the voters
44 at a special election called to be held for that purpose on May 18, 2010 as
45 provided by article XXI, Constitution of Arizona.