



ARIZONA STATE SENATE
Fifty-Fourth Legislature, First Regular Session

FACT SHEET FOR S.B. 1149

tax credit review; evaluation standard

Purpose

Requires the Joint Legislative Income Tax Credit Review Committee (Committee) to determine whether adequate protections are in place to ensure that the fiscal impact of the income tax credit (credit) in future years will not substantially increase beyond projections available when the credit is evaluated.

Background

The Committee is tasked with determining the original purpose of existing credits and establishing a standard for evaluating and measuring the success or failure of the credits. This may include: 1) the history, rationale and estimated revenue impact of the credit; 2) whether the credit has provided a benefit to Arizona; and 3) whether the credit is unnecessarily complex in the application, administration and approval process. After reviewing the credit, the Committee recommends whether the credit should be amended, repealed or retained. It reports these findings to the President of the Senate, the Speaker of the House of Representatives and the Governor; a copy of the report is provided to the Director of the Arizona State Library, Archives and Public Records. The Committee terminates on July 1, 2022 ([A.R.S. § 43-221](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Includes, in the standard for evaluating tax credits, whether adequate protections are in place to ensure that the fiscal impact of the credit in future years will not substantially increase beyond projections available when the credit is evaluated.
2. Makes technical changes.
3. Becomes effective on the general effective date.

Prepared by Senate Research
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CS/LC/kja