

State of Arizona
Senate
Fifty-fourth Legislature
Second Regular Session
2020

SENATE CONCURRENT RESOLUTION 1003

A CONCURRENT RESOLUTION

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA; AMENDING ARTICLE IX, SECTION 2, CONSTITUTION OF ARIZONA; RELATING TO PROPERTY TAX.

(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, section 2, Constitution of Arizona, is proposed to
4 be amended as follows if approved by the voters and on proclamation of the
5 Governor:

6 2. Property subject to taxation; exemptions

7 Section 2. (1) There shall be exempt from taxation all
8 federal, state, county and municipal property.

9 (2) Property of educational, charitable and religious
10 associations or institutions not used or held for profit may
11 be exempt from taxation by law.

12 (3) Public debts, as evidenced by the bonds of
13 Arizona, ~~OR~~ OR its counties, municipalities or other
14 subdivisions, shall also be exempt from taxation.

15 (4) All household goods owned by the user thereof and
16 used solely for noncommercial purposes shall be exempt from
17 taxation, and such person entitled to such exemption shall not
18 be required to take any affirmative action to receive the
19 benefit of such exemption.

20 (5) Stocks of raw or finished materials, unassembled
21 parts, work in process or finished products constituting the
22 inventory of a retailer or wholesaler located within the state
23 and principally engaged in the resale of such materials, parts
24 or products, whether or not for resale to the ultimate
25 consumer, shall be exempt from taxation.

26 (6) The legislature may exempt personal property that
27 is used for agricultural purposes or in a trade or business
28 from taxation in a manner provided by law, except that the
29 exemption does not apply to any amount of the full cash value
30 of the personal property of a taxpayer that exceeds fifty
31 thousand dollars. The legislature may provide by law to
32 increase the exempt amount according to annual variations in a
33 designated national inflation index.

34 (7) NOTWITHSTANDING SUBSECTION (6) OF THIS SECTION,
35 TAXES SHALL NOT BE LEVIED ON THE FIRST ONE MILLION DOLLARS OF
36 FULL CASH VALUE OF PERSONAL PROPERTY THAT IS INITIALLY
37 ACQUIRED, AS DEFINED BY LAW, DURING OR AFTER 2021 AND THAT IS
38 USED FOR AGRICULTURAL PURPOSES OR IN A TRADE OR BUSINESS. THE
39 LEGISLATURE MAY PROVIDE BY LAW TO ADJUST THE EXEMPT AMOUNT
40 ACCORDING TO ANNUAL VARIATIONS IN A DESIGNATED NATIONAL
41 INFLATION INDEX.

42 ~~(7)~~ (8) The legislature may exempt the property of
43 cemeteries that are set apart and used to inter deceased human
44 beings from taxation in a manner provided by law.

1 ~~(8)~~ (9) There shall be further exempt from taxation
2 the property of each honorably discharged airman, soldier,
3 sailor, United States marine, member of revenue marine
4 service, the coast guard, nurse corps or of any predecessor or
5 of the component of auxiliary of any thereof, resident of this
6 state, in the amount of:

7 (a) One thousand five hundred dollars if the total
8 assessment of such person does not exceed three thousand five
9 hundred dollars.

10 (b) One thousand dollars if the total assessment of
11 such person does not exceed four thousand dollars.

12 (c) Five hundred dollars if the total assessment of
13 such person does not exceed four thousand five hundred
14 dollars.

15 (d) Two hundred fifty dollars if the total assessment
16 of such person does not exceed five thousand dollars.

17 (e) No exemption if the total assessment of such person
18 exceeds five thousand dollars.

19 No such exemption shall be made for such person unless
20 such person shall have served at least sixty days in the
21 military or naval service of the United States during World
22 War I or prior wars and shall have been a resident of this
23 state prior to September 1, 1945.

24 ~~(9)~~ (10) There shall be further exempt from taxation
25 as herein provided the property of each honorably discharged
26 airman, soldier, sailor, United States marine, member of
27 revenue marine service, the coast guard, nurse corps or of any
28 predecessor or of the component of auxiliary of any thereof,
29 resident of this state, where such person has a
30 service-connected disability as determined by the United
31 States veterans administration or its successor. No such
32 exemption shall be made for such person unless he shall have
33 been a resident of this state prior to September 1, 1945 or
34 unless such person shall have been a resident of this state
35 for at least four years prior to his original entry into
36 service as an airman, soldier, sailor, United States marine,
37 member of revenue marine service, the coast guard, nurse corps
38 or of any predecessor or of the component of auxiliary of any
39 thereof. The property of such person having a compensable
40 service-connected disability exempt from taxation as herein
41 provided shall be determined as follows:

42 (a) If such person's service-connected disability as
43 determined by the United States veterans administration or its
44 successor is sixty per cent or less, the property of such
45 person exempt from taxation shall be determined by such

1 person's percentage of disability multiplied by the assessment
2 of such person in the amount of:

3 (i) One thousand five hundred dollars if the total
4 assessment of such person does not exceed three thousand five
5 hundred dollars.

6 (ii) One thousand dollars if the total assessment of
7 such person does not exceed four thousand dollars.

8 (iii) Five hundred dollars if the total assessment of
9 such person does not exceed four thousand five hundred
10 dollars.

11 (iv) Two hundred fifty dollars if the total assessment
12 of such person does not exceed five thousand dollars.

13 (v) No exemption if the total assessment of such person
14 exceeds five thousand dollars.

15 (b) If such person's service-connected disability as
16 determined by the United States veterans administration or its
17 successor is more than sixty per cent, the property of such
18 person exempt from taxation shall be in the amount of:

19 (i) One thousand five hundred dollars if the total
20 assessment of such person does not exceed three thousand five
21 hundred dollars.

22 (ii) One thousand dollars if the total assessment of
23 such person does not exceed four thousand dollars.

24 (iii) Five hundred dollars if the total assessment of
25 such person does not exceed four thousand five hundred
26 dollars.

27 (iv) Two hundred fifty dollars if the total assessment
28 of such person does not exceed five thousand dollars.

29 (v) No exemption if the total assessment of such person
30 exceeds five thousand dollars.

31 ~~(10)~~ (11) There shall be further exempt from taxation
32 the property of each honorably discharged airman, soldier,
33 sailor, United States marine, member of revenue marine
34 service, the coast guard, nurse corps or of any predecessor or
35 of the component of auxiliary of any thereof, resident of this
36 state, where such person has a nonservice-connected total and
37 permanent disability, physical or mental, as so certified by
38 the United States veterans administration, or its successor,
39 or such other certification as provided by law, in the amount
40 of:

41 (a) One thousand five hundred dollars if the total
42 assessment of such person does not exceed three thousand five
43 hundred dollars.

44 (b) One thousand dollars if the total assessment of
45 such person does not exceed four thousand dollars.

1 (c) Five hundred dollars if the total assessment of
2 such person does not exceed four thousand five hundred
3 dollars.

4 (d) Two hundred fifty dollars if the total assessment
5 of such person does not exceed five thousand dollars.

6 (e) No exemption if the total assessment of such person
7 exceeds five thousand dollars.

8 No such exemption shall be made for such person unless
9 he shall have served at least sixty days in the military or
10 naval service of the United States during time of war after
11 World War I and shall have been a resident of this state prior
12 to September 1, 1945.

13 ~~(11)~~ (12) There shall be further exempt from taxation
14 the property of each widow, resident of this state, in the
15 amount of:

16 (a) One thousand five hundred dollars if the total
17 assessment of such widow does not exceed three thousand five
18 hundred dollars.

19 (b) One thousand dollars if the total assessment of
20 such widow does not exceed four thousand dollars.

21 (c) Five hundred dollars if the total assessment of
22 such widow does not exceed four thousand five hundred dollars.

23 (d) Two hundred fifty dollars if the total assessment
24 of such widow does not exceed five thousand dollars.

25 (e) No exemption if the total assessment of such widow
26 exceeds five thousand dollars.

27 In order to qualify for this exemption, the income from
28 all sources of such widow, together with the income from all
29 sources of all children of such widow residing with the widow
30 in her residence in the year immediately preceding the year
31 for which such widow applies for this exemption, shall not
32 exceed:

33 1. Seven thousand dollars if none of the widow's
34 children under the age of eighteen years resided with her in
35 such widow's residence; or

36 2. Ten thousand dollars if one or more of the widow's
37 children residing with her in such widow's residence was under
38 the age of eighteen years, or was totally and permanently
39 disabled, physically or mentally, as certified by competent
40 medical authority as provided by law.

41 Such widow shall have resided with her last spouse in
42 this state at the time of the spouse's death if she was not a
43 widow and a resident of this state prior to January 1, 1969.

44 ~~(12)~~ (13) No property shall be exempt which has been
45 conveyed to evade taxation. The total exemption from taxation

1 granted to the property owned by a person who qualifies for
2 any exemption in accordance with the terms of subsections ~~(8)~~;
3 (9), (10), ~~or~~ (11) OR (12) OF THIS SECTION shall not exceed
4 one thousand five hundred dollars. The provisions of this
5 section shall be self-executing.

6 ~~(13)~~ (14) All property in the state not exempt under
7 the laws of the United States or under this constitution or
8 exempt by law under the provisions of this section shall be
9 subject to taxation to be ascertained as provided by law.

10 2. Short title

11 This measure shall be known as and may be cited as the "Small
12 Business Job Creation Act".

13 3. The Secretary of State shall submit this proposition to the
14 voters at the next general election as provided by article XXI,
15 Constitution of Arizona.