REFERENCE TITLE: school district tax levy; reduction

State of Arizona
House of Representatives
Fifty-fifth Legislature
Second Regular Session
2022

HB 2383

Introduced by
Representative Kaiser

AN ACT

AMENDING SECTION 15-992, ARIZONA REVISED STATUTES; RELATING TO SCHOOL FINANCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 15-992, Arizona Revised Statutes, is amended to read:

15-992. School district tax levy; additional tax in districts ineligible for equalization assistance; definition

A. The board of supervisors of each county, at the time of levying other taxes, shall annually levy school district taxes on the property in any school district in which additional amounts are required, which shall be at rates prescribed in this section. A delinquency factor for estimated uncollected taxes may not be included in the computation of the primary tax rate for school district taxes. Local property taxes may not be levied for any deficit in the classroom site fund. The taxes shall be added to and collected in the same manner as other county taxes on the property within the school district. The amount of the school district taxes levied on the property in a particular school district shall be paid into the school fund of that school district.

B. At the same time of levying taxes as provided in subsection A of this section, the county board of supervisors shall annually levy an additional tax in each school district that is not eligible for equalization assistance as provided in section 15-971 in an amount determined as follows:

1. Determine the levy that would be produced by fifty percent of the applicable qualifying tax rate, prescribed in section 15-971, subsection B, per ~~one hundred dollars~~ $100 assessed valuation.

2. Subtract the amount determined in section 15-971, subsection A from the levy determined in paragraph 1 of this subsection. This difference is the additional amount levied or collected as voluntary contributions pursuant to title 48, chapter 1, article 8, except that if the difference is zero or is a negative number, there shall be no levy.

C. Monies collected pursuant to subsection B of this section shall be transmitted to the state treasurer for deposit in the state general fund to aid in school financial assistance.

D. The additional tax prescribed in subsection B of this section is considered to be primary property tax for purposes of section 15-972, subsection B, except that this state is not required to make the payments prescribed in section 15-972, subsection H for these reductions in taxes.

E. The tax levy prescribed in subsection A of this section shall be a rate equal to the applicable qualifying tax rate or rates as prescribed in section 15-971, subsection B or a rate that would result in a levy that equals the school district equalization assistance base prescribed in section 15-971 subtracted by any amount received pursuant to section 15-905, subsections K, O and P per ~~one hundred dollars~~ $100 of assessed valuation used for primary property taxes, whichever is less.

F. At the time of levying taxes as provided in subsection E of this section, the county school superintendent shall annually validate any additional primary school district tax levy amount requests from each school district and levy the sum of the following amounts:

1. A rate that would result in a levy that equals the difference between the transportation revenue control limit as determined in section 15-946 and the transportation support level as determined in section 15-945 or a lesser amount.

2. A rate that would result in a levy that equals any amount pursuant to section 15-910.

3. A rate that would result in a levy that equals any amount for tuition loss as determined in section 15-954.

4. A rate that would result in a levy that equals any amount for the small school adjustment as determined in section 15-949.

5. A rate that would result in a levy that equals any amount for liabilities in excess of the school district budget pursuant to section 15-907.

6. A rate that would result in a levy that equals any amount for adjacent ways pursuant to section 15-995.

7. A rate that would result in a levy that equals the amount not captured by the qualifying tax rate as a result of property subject to the government property lease excise tax pursuant to title 42, chapter 6, article 5 as calculated in section 15-971, subsection B, paragraph 2.

8. Following the recommendation of the county school superintendent and on approval by the county board of supervisors, for a school district that is not eligible for state aid, a rate that would result in a levy that equals any legal amount not levied in the current year as a result of underestimated average daily membership in the current year or as a result of a judgment in accordance with section 42-16213.

9. A rate that would result in a levy that equals any amount pursuant to a qualifying dropout prevention program that was originally established by law in 1987.

10. On the recommendation of the county school superintendent and on approval by the county board of supervisors before adoption of tax rates pursuant to section 42-17151, a rate that would result in a levy that equals any separately stated cash deficit from the prior fiscal year resulting from an anticipated or actual deviation in the property tax roll, including resolutions or judgments pursuant to title 42, chapter 16, articles 5 and 6.

G. IF A SCHOOL DISTRICT HAS A BALANCE IN THE BOND BUILDING FUND AND HAS NO OUTSTANDING BONDED INDEBTEDNESS, THE LEVY CALCULATED UNDER SUBSECTION F OF THIS SECTION MUST BE REDUCED BY AN AMOUNT THAT RESULTS IN A LEVY REDUCTION OF THE BOND BUILDING FUND BALANCE PURSUANT TO SECTION 15-1024.

~~G.~~ H. For the purposes of this section, "assessed valuation" includes the values used to determine voluntary contributions collected pursuant to title 9, chapter 4, article 3 and title 48, chapter 1, article 8.