REFERENCE TITLE: municipal tax; exemption; food

State of Arizona
House of Representatives
Fifty-seventh Legislature
Second Regular Session
2026

HCR 2018

Introduced by
Representatives Biasiucci: Chaplik, Gillette, Heap, Hernandez A, Keshel, Marshall, Way; Senator Angius

A CONCURRENT RESOLUTION

ENACTING AND ORDERING THE SUBMISSION TO THE PEOPLE OF A MEASURE RELATING TO MUNICIPAL TRANSACTION PRIVILEGE TAX.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it resolved by the House of Representatives of the State of Arizona, the Senate concurring:

1. Under the power of the referendum, as vested in the Legislature, the following measure, relating to municipal transaction privilege tax, is enacted to become valid as a law if approved by the voters and on proclamation of the Governor:

AN ACT

AMENDING SECTION 42-6015, ARIZONA REVISED STATUTES; RELATING TO MUNICIPAL TRANSACTION PRIVILEGE TAX.

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

Section 1. Section 42-6015, Arizona Revised Statutes, is amended to read:

42-6015. Municipal transaction privilege tax; food; exemption

A. If a city, town or other taxing jurisdiction imposes a transaction privilege, sales, use, franchise or other similar tax or fee, however denominated, on:

1. The sale of food items intended for human consumption as defined by rule adopted pursuant to section 42-5106 or items prescribed by section 42-5106, subsection D for home consumption, the tax must be applied uniformly with respect to all food, and an additional tax or fee differential may not be assessed or applied with respect to any specific food item.

2. The sale of food items intended for human consumption as defined by rule adopted pursuant to section 42-5106 or items prescribed by section 42-5106, subsection D for consumption on the premises, the tax must be applied uniformly with respect to all food items, and an additional tax or fee differential may not be assessed or applied with respect to any specific food item.

B. A city, town or other taxing jurisdiction may not levy a transaction privilege, sales, use, franchise or other similar tax or fee, however denominated, with respect to:

1. The manufacture, wholesale or distribution to or among any wholesalers, distributors or retailers, of food items intended for human consumption as defined by rule adopted pursuant to section 42-5106 or items prescribed by section 42-5106, subsection D for home consumption or for consumption on the premises.

2. Any container or packaging used exclusively for transporting, protecting or consuming food items intended for human consumption as defined by rule adopted pursuant to section 42-5106 or items prescribed by section 42-5106,

subsection D for home consumption or for consumption on the premises.

3. The sale of food or other items ~~purchased~~ THAT ARE ELIGIBLE FOR PURCHASE with ~~United States department of agriculture food stamp coupons issued under the food stamp act of 1977 (P.L. 95-113; 91 Stat. 958)~~ BENEFITS ISSUED PURSUANT TO THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM UNDER 7 UNITED STATES CODE SECTIONS 2011 THROUGH 2036d or food instruments issued PURSUANT TO THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS, AND CHILDREN under ~~section 17 of the child nutrition act (P.L. 95-627; 92 Stat. 3603; P.L. 99-661, section 4302;~~ 42 United States Code section 1786~~)~~ REGARDLESS OF WHETHER THE PURCHASER IS ELIGIBLE TO PARTICIPATE IN THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM OR THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS, AND CHILDREN, but may impose such a tax consistent with this section on other sales of food.

4. The sale of low or reduced-cost articles of food or drink to eligible elderly or homeless persons or persons with a disability by a business subject to tax under the restaurant classification pursuant to section 42-5074 that contracts with the department of economic security and that is approved by the food and nutrition service of the United States department of agriculture pursuant to the supplemental nutrition assistance program established by the food and nutrition act of 2008 (7 United States Code sections 2011 through 2036c), if the purchases are made with the benefits issued pursuant to the supplemental nutrition assistance program.

Sec. 2. Applicability

This act applies retroactively to taxable periods beginning on or after the first day of the month following the general effective date.

2. The Secretary of State shall submit this proposition to the voters at the next general election as provided by article IV, part 1, section 1, Constitution of Arizona.