



NEWS RELEASE

Arizona House of Representatives

Representative David Marshall (R-7)

Representative Ralph Heap (R-10)

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FOR IMMEDIATE RELEASE

Reps. Marshall and Heap Call for No Tax on Utilities: \$2.3 Billion “Refund” on Kris Mayes’ Green Energy Mandates

STATE CAPITOL, PHOENIX – State Representative David Marshall, Chairman of the House Public Safety & Law Enforcement Committee, and State Representative Ralph Heap, Vice Chairman of the House Health & Human Services Committee, introduced a bill today, [House Bill 2269](#), to eliminate the state sales tax on all electric and gas utility bills in the state until [\\$2.3 billion](#) has been paid back to Arizona residents or the end of 2046, whichever occurs first.

“People are getting crushed by rising costs, making it harder to live and do business in our state,” said Representative Marshall. **“Almost everyone pays a local utility for electric or gas. Eliminating the tax on this expense represents one of the most immediate and direct ways we can help working families keep costs affordable.”**

In addition to the electric or gas utilities themselves, monthly bills include an additional 5.6 percent tax, which increases the total cost. Over time, these taxes add up. Average residents pay over \$100 each year in utility taxes alone, which is money that could be spent on other basic needs.

“Taxing electric and gas utilities creates a perverse incentive for the government to support increased rate hikes,” said Representative Marshall. **“If rates go up, the state gets more money. That leads some to view rate increases as a source of potential funds for their liberal pet projects. That’s not right; it’s time to put the people of Arizona first.”**

“In 2006, Arizona Corporation Commissioner Kris Mayes catered to outside special interests and adopted expensive renewable energy surcharges that cost ratepayers more than \$2.3 billion over the last 20 years,” said Representative Heap. **“This special interest slush fund also led to foreign-owned boondoggles like the Solana Generating Station, which Kris Mayes personally supported, and which cost ratepayers more than three times the above-market rate of power.”**

“While repealing these mandates may help to prevent new costs, it will do nothing to compensate customers for the unjust surcharges that Kris Mayes forced ratepayers to pay over the last 20 years,” added Heap.

Marshall added, **“While we’re unsure of any legal way to get ratepayers’ money back, there are things we can do to help reduce costs today. In my opinion, the next best thing we can do is try to provide justice by eliminating taxes on electric and gas utilities moving forward.”**

“That’s why, over the next 20 years, we are proposing *no state tax on utilities* until every penny of the \$2.3 billion that was wrongfully extracted from the Arizona ratepayer is metaphorically ‘paid back’ to hardworking families,” continued Marshall. “This bill will save most residents between \$100 and \$120 per year, on average. Once the \$2.3 billion threshold has been met, then the state can determine what it wants to do with the exemption from there, including whether to reassess the tax or extend the exemption even further.”

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