NEWS RELEASE

Arizona House of Representatives
Speaker Steve Montenegro (R-29)
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FOR IMMEDIATE RELEASE

Statement from House Speaker Steve Montenegro on Governor Hobbs' Veto of Tax Relief Act

STATE CAPITOL, PHOENIX – Arizona House Speaker Steve Montenegro issued the following statement in response to today's veto by Governor Katie Hobbs of SB 1106, the Arizona One Big Beautiful Bill, providing $1.1 billion in tax relief over three years while maintaining a balanced state budget and protecting Arizona's reserves:

"Yesterday, the Arizona House came together with the Senate to lower costs and improve affordability through tax relief for Arizonans.

Governor Hobbs' veto of our tax relief act is a failure of leadership that will create unnecessary confusion and disruption for millions of Arizona taxpayers.

House and Senate Republicans acted early and responsibly to give families, seniors, and small businesses certainty as tax filing season approaches. We passed a clear plan—months in the making—that conforms Arizona law to federal tax changes, provides relief for working families, and tells taxpayers, in statute, what they owe.

The Governor admitted swift action was needed. She asked for a bill to be sent quickly. We did exactly that.

What she did not do was offer a plan of her own. No bill. No alternative. No solution.

Instead, Arizonans are left with mixed signals from the executive branch, uncertainty for taxpayers, and confusion for employers and tax preparers—all created by this veto.

This bill removed provisions the Governor said she opposed. It supported families, seniors, and businesses across Arizona. It provided certainty and stability at a moment when both are needed.

Governor Hobbs vetoed an increase to the standard deduction.

Hobbs vetoed a deduction for childcare expenses. Hobbs vetoed an increase to the child tax credit.

Hobbs vetoed no tax on tips. Hobbs vetoed no tax on overtime. Hobbs vetoed relief for seniors.

The chaos ahead is not accidental. It is the direct result of Governor Hobbs' decision to veto a responsible tax conformity bill with no replacement plan.

House Republicans will continue to fight for clarity, stability, and relief for Arizona families—but this veto rests squarely with Governor Katie Hobbs."

Steve Montenegro is the Speaker of the Arizona House of Representatives and serves Legislative District 29 in the West Valley, Goodyear, and Surprise. Follow him on X at @SteveMontenegro.

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