

Priority Bills for the 2018 Legislative Session

GOOD FOR ARIZONANS CLEANING UP TAX LOOPHOLES AND CREDITS

74% of Arizona corporations are able to reduce their tax liability to pay the current \$50 minimum tax or less. This legislation will ensure that all corporations pay at least \$500 in income tax no matter how many tax breaks they claim.

- HB 1415 | Sponsor: Mendez 1327

This legislation takes the first steps in eliminating sales tax exemptions on certain goods and services for which it does not make sense to exempt from sales tax, such as the sales of fine art that is shipped out-of-state, private jets, service contracts and warranties, horse vitamins, and 4 inch diameter pipes.

- SB 1327 | Sponsor: Farley

Stops the annual automatic 20% growth of corporate private school tuition tax credits and stops subsidizing private school tuition for families who can already afford it by limiting private school tuition tax credit scholarships to low income families.

- HB 2179 | Sponsor: Coleman
- HB 2183 | Sponsor: Coleman
- HB 2295 | Sponsor: Friese
- SB 1020 | Sponsor: Farley
- SB 1325 | Sponsor: Miranda

TAX OVERSIGHT AND COMPLIANCE

Places a 5-year sunset date on all tax credits; and requires legislation be introduced to take action on any tax credits recommended for repeal by the Joint Legislative Income Tax Credit Review Committee.

- HB 2015 | Sponsor: Cardenas
- SB 1019 | Sponsor: Farley
- SB 1030 | Sponsor: Farley
- SB 1328 | Sponsor: Farley

Appropriates funding to the Arizona Department of Revenue to hire additional auditors and collectors to collect taxes that are owed to the state.

- HB 2137 | Sponsor: Espinoza
- SB 1324 | Sponsor: Farley

Establishes one formula for determining how corporate income is taxed rather than allowing corporations to choose the formula which results in paying the least amount.

- Bill pending introduction

BAD FOR THE STATE

Another Arizona version of the so-called “Taxpayers Bill of Rights” (TABOR). The legislation calls for the calculation of a “Truth in spending” estimate that restricts spending based on inflation and total population growth. The highly flawed and arbitrary population-plus-inflation formula fails to keep pace with normal growth in the cost of maintain services and leads to annual cuts to services for children, families and businesses that support Arizona’s economic prosperity

- HB 2099 state budget; estimates; notice | sponsor: Leach
(Scheduled for House Appropriations 1-31 at 2:00pm)
- SB 1051 state budget; estimates; notice | sponsor: Kavanagh

At a time when parents and business CEOs are urgently calling for increased investments in public schools, and almost every state agency is working with less funding than they had a decade ago, more permanent tax cuts and credits will make it harder to invest in the priorities that benefit all Arizonans. Therefore, even though some TPT exemptions have a worthy objective, additional tax exemptions take money away from the general fund and reduce resources available for further investments for all Arizonans.

- HB 2003 Coal Mining; TPT; repeal | sponsor: Finchem
- HB 2087 Family caregiver income tax credit | sponsor: Carter
(Added to House Consent Calendar on 1/31)
- HB 2217 Sales tax exemption: diapers; formula; feminine hygiene | sponsor: Hernandez
(Scheduled for House Health 2-01 at 9:00am)
- HB 2236 Military pensions; increase; tax subtraction | sponsor: Livingston
(Scheduled for House Military, Veterans & Regulatory Affairs 2-05 at 2:00pm)
- HB 2316 TPT credit; Restaurants remodeling expenses | sponsor: John
- HB 2377 Teachers’ School Supplies; tax credit | sponsor: Clodfelter
- HB 2382 TPT and Use Tax Holiday | sponsor: Clodfelter
- SB 1049 Sales tax Exemption: Hearing Aid Batteries | sponsor: Farnsworth
- SB 1167 Military retiree tax cut | sponsor: Griffin
(Added to Senate Consent Calendar on 1/31)
- SB 1220 Family Caregiver Income Tax Credit | sponsor: Brophy McGee