

REFERENCE TITLE: personal property tax; repeal

State of Arizona
House of Representatives
Forty-ninth Legislature
Second Regular Session
2010

HCR 2011

Introduced by
Representatives Gowan: Antenori, Stevens

A CONCURRENT RESOLUTION

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA; AMENDING ARTICLE IX,
SECTION 2, CONSTITUTION OF ARIZONA; RELATING TO PROPERTY TAX EXEMPTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

3 1. Article IX, section 2, Constitution of Arizona, is proposed to be
4 amended as follows if approved by the voters and on proclamation of the
5 Governor:

6 2. Property subject to taxation: exemptions

7 Section 2. (1) There shall be exempt from taxation all
8 federal, state, county and municipal property.

9 (2) Property of educational, charitable and religious
10 associations or institutions not used or held for profit may be
11 exempt from taxation by law.

12 (3) Public debts, as evidenced by the bonds of Arizona,
13 its counties, municipalities or other subdivisions, shall also
14 be exempt from taxation.

15 (4) All household goods owned by the user thereof and
16 used solely for noncommercial purposes shall be exempt from
17 taxation, and such person entitled to such exemption shall not
18 be required to take any affirmative action to receive the
19 benefit of such exemption.

20 (5) Stocks of raw or finished materials, unassembled
21 parts, work in process or finished products constituting the
22 inventory of a retailer or wholesaler located within the state
23 and principally engaged in the resale of such materials, parts
24 or products, whether or not for resale to the ultimate consumer,
25 shall be exempt from taxation.

26 (6) ~~The legislature may exempt~~ Personal property that is
27 used for agricultural purposes or in a trade or business IS
28 EXEMPT from taxation. ~~in a manner provided by law, except that~~
29 ~~the exemption does not apply to any amount of the full cash~~
30 ~~value of the personal property of a taxpayer that exceeds fifty~~
31 ~~thousand dollars. The legislature may provide by law to~~
32 ~~increase the exempt amount according to annual variations in a~~
33 ~~designated national inflation index.~~

34 (7) The legislature may exempt the property of cemeteries
35 that are set apart and used to inter deceased human beings from
36 taxation in a manner provided by law.

37 (8) There shall be further exempt from taxation the
38 property of each honorably discharged airman, soldier, sailor,
39 United States marine, member of revenue marine service, the
40 coast guard, nurse corps or of any predecessor or of the
41 component of auxiliary of any thereof, resident of this state,
42 in the amount of:

43 (a) One thousand five hundred dollars if the total
44 assessment of such person does not exceed three thousand five
45 hundred dollars.

1 (b) One thousand dollars if the total assessment of such
2 person does not exceed four thousand dollars.

3 (c) Five hundred dollars if the total assessment of such
4 person does not exceed four thousand five hundred dollars.

5 (d) Two hundred fifty dollars if the total assessment of
6 such person does not exceed five thousand dollars.

7 (e) No exemption if the total assessment of such person
8 exceeds five thousand dollars.

9 No such exemption shall be made for such person unless
10 such person shall have served at least sixty days in the
11 military or naval service of the United States during World War
12 I or prior wars and shall have been a resident of this state
13 prior to September 1, 1945.

14 (9) There shall be further exempt from taxation as herein
15 provided the property of each honorably discharged airman,
16 soldier, sailor, United States marine, member of revenue marine
17 service, the coast guard, nurse corps or of any predecessor or
18 of the component of auxiliary of any thereof, resident of this
19 state, where such person has a service-connected disability as
20 determined by the United States veterans administration or its
21 successor. No such exemption shall be made for such person
22 unless he shall have been a resident of this state prior to
23 September 1, 1945 or unless such person shall have been a
24 resident of this state for at least four years prior to his
25 original entry into service as an airman, soldier, sailor,
26 United States marine, member of revenue marine service, the
27 coast guard, nurse corps or of any predecessor or of the
28 component of auxiliary of any thereof. The property of such
29 person having a compensable service-connected disability exempt
30 from taxation as herein provided shall be determined as follows:

31 (a) If such person's service-connected disability as
32 determined by the United States veterans administration or its
33 successor is sixty per cent or less, the property of such person
34 exempt from taxation shall be determined by such person's
35 percentage of disability multiplied by the assessment of such
36 person in the amount of:

37 (i) One thousand five hundred dollars if the total
38 assessment of such person does not exceed three thousand five
39 hundred dollars.

40 (ii) One thousand dollars if the total assessment of such
41 person does not exceed four thousand dollars.

42 (iii) Five hundred dollars if the total assessment of
43 such person does not exceed four thousand five hundred dollars.

44 (iv) Two hundred fifty dollars if the total assessment of
45 such person does not exceed five thousand dollars.

1 (v) No exemption if the total assessment of such person
2 exceeds five thousand dollars.

3 (b) If such person's service-connected disability as
4 determined by the United States veterans administration or its
5 successor is more than sixty per cent, the property of such
6 person exempt from taxation shall be in the amount of:

7 (i) One thousand five hundred dollars if the total
8 assessment of such person does not exceed three thousand five
9 hundred dollars.

10 (ii) One thousand dollars if the total assessment of such
11 person does not exceed four thousand dollars.

12 (iii) Five hundred dollars if the total assessment of
13 such person does not exceed four thousand five hundred dollars.

14 (iv) Two hundred fifty dollars if the total assessment of
15 such person does not exceed five thousand dollars.

16 (v) No exemption if the total assessment of such person
17 exceeds five thousand dollars.

18 (10) There shall be further exempt from taxation the
19 property of each honorably discharged airman, soldier, sailor,
20 United States marine, member of revenue marine service, the
21 coast guard, nurse corps or of any predecessor or of the
22 component of auxiliary of any thereof, resident of this state,
23 where such person has a nonservice-connected total and permanent
24 disability, physical or mental, as so certified by the United
25 States veterans administration, or its successor, or such other
26 certification as provided by law, in the amount of:

27 (a) One thousand five hundred dollars if the total
28 assessment of such person does not exceed three thousand five
29 hundred dollars.

30 (b) One thousand dollars if the total assessment of such
31 person does not exceed four thousand dollars.

32 (c) Five hundred dollars if the total assessment of such
33 person does not exceed four thousand five hundred dollars.

34 (d) Two hundred fifty dollars if the total assessment of
35 such person does not exceed five thousand dollars.

36 (e) No exemption if the total assessment of such person
37 exceeds five thousand dollars.

38 No such exemption shall be made for such person unless he
39 shall have served at least sixty days in the military or naval
40 service of the United States during time of war after World War
41 I and shall have been a resident of this state prior to
42 September 1, 1945.

43 (11) There shall be further exempt from taxation the
44 property of each widow, resident of this state, in the amount
45 of:

1 (a) One thousand five hundred dollars if the total
2 assessment of such widow does not exceed three thousand five
3 hundred dollars.

4 (b) One thousand dollars if the total assessment of such
5 widow does not exceed four thousand dollars.

6 (c) Five hundred dollars if the total assessment of such
7 widow does not exceed four thousand five hundred dollars.

8 (d) Two hundred fifty dollars if the total assessment of
9 such widow does not exceed five thousand dollars.

10 (e) No exemption if the total assessment of such widow
11 exceeds five thousand dollars.

12 In order to qualify for this exemption, the income from
13 all sources of such widow, together with the income from all
14 sources of all children of such widow residing with the widow in
15 her residence in the year immediately preceding the year for
16 which such widow applies for this exemption, shall not exceed:

17 1. Seven thousand dollars if none of the widow's children
18 under the age of eighteen years resided with her in such widow's
19 residence; or

20 2. Ten thousand dollars if one or more of the widow's
21 children residing with her in such widow's residence was under
22 the age of eighteen years, or was totally and permanently
23 disabled, physically or mentally, as certified by competent
24 medical authority as provided by law.

25 Such widow shall have resided with her last spouse in this
26 state at the time of the spouse's death if she was not a widow
27 and a resident of this state prior to January 1, 1969.

28 (12) No property shall be exempt which has been conveyed
29 to evade taxation. The total exemption from taxation granted to
30 the property owned by a person who qualifies for any exemption
31 in accordance with the terms of subsections (8), (9), (10) or
32 (11) shall not exceed one thousand five hundred dollars. The
33 provisions of this section shall be self-executing.

34 (13) All property in the state not exempt under the laws
35 of the United States or under this constitution or exempt by law
36 under the provisions of this section shall be subject to
37 taxation to be ascertained as provided by law.

38 2. The Secretary of State shall submit this proposition to the voters
39 at the next general election as provided by article XXI, Constitution of
40 Arizona.