



Bill Number: S.B. 1643

Gowan Floor Amendment

Reference to: APPROPRIATIONS Committee amendment

Amendment drafted by: Leg Concil

FLOOR AMENDMENT EXPLANATION

1. Reduces the FY 2023 appropriation to the Arizona Commerce Authority (ACA) from \$55,075,000 to \$50,075,000.
2. Specifies that a taxpayer with a carry forward balance of Research and Development Credits (R&D Credits) is authorized to apply to the ACA for income tax credit reinvestment.
3. Lowers the income tax credit reinvestment from \$0.75 per dollar to \$0.60 per dollar of unused R&D Credits and sets the maximum credit per applicant as the current unused balance of R&D Credits or \$10,000,000, whichever is less.
4. Requires the amount of a taxpayer's unused balance of R&D Credits to be reduced by the amount of income tax credits converted for reinvestment.
5. Specifies that monies allowed to be distributed by the ACA after project approval are income tax reinvestment monies.
6. Requires a taxpayer's qualifying project for tax credit reinvestment to take place in Arizona and adds a career and technical education district to the institutions authorized to partner with the taxpayer for certain qualifying projects.
7. Modifies the qualifying project that demonstrates receipt of matching federal monies by:
 - a) requiring the project to be a capital expenditure project; and
 - b) requiring the project to be supported by, rather than demonstrated with, matching federal monies.
8. Makes technical and conforming changes.

Amendment explanation prepared by Molly Graver

03/14/22

GOWAN FLOOR AMENDMENT
SENATE AMENDMENTS TO S.B. 1643
(Reference to APPROPRIATIONS Committee amendment)

- 1 Page 2, line 23, strike ": definition"
- 2 Line 26, after "CREDITS" insert "FOR INCREASED RESEARCH ACTIVITIES UNDER
3 SECTION 43-1074.01 OR 43-1168 TO FURTHER QUALIFY FOR REINVESTMENT OF A
4 PORTION OF THE TAXPAYER'S UNUSED BALANCE OF THE TAX CREDIT"
- 5 Line 31, after the second "THE" insert "INCOME"; strike "MAY" insert
6 "REINVESTMENT IS \$.60 PER DOLLAR OF UNUSED INCOME TAX CREDITS UNDER SECTION
7 43-1074.01 OR 43-1168, AS APPLICABLE,"; after "NOT" insert "TO"
- 8 Line 32, after "APPLICANT" insert "OR THE APPLICANT'S CURRENT UNUSED BALANCE
9 OF INCOME TAX CREDITS UNDER SECTION 43-1074.01 OR 43-1168, WHICHEVER IS
10 LESS.
- 11 3. THE AMOUNT OF THE TAXPAYER'S UNUSED BALANCE OF INCOME TAX CREDITS
12 UNDER SECTION 43-1074.01 OR 43-1168, AS APPLICABLE, SHALL BE REDUCED BY THE
13 AMOUNT OF INCOME TAX CREDITS CONVERTED UNDER THIS SECTION"
- 14 Page 3, line 2, strike "THE REINVESTMENT OF THE UNUSED BALANCE OF"
- 15 Line 3, strike "CREDITS" insert "CREDIT REINVESTMENT"
- 16 Line 9, after "THAT" strike remainder of line
- 17 Strike line 10, insert "THE TAXPAYER WILL CONDUCT WITH THE POTENTIAL INCOME
18 TAX CREDIT REINVESTMENT MONIES."
- 19 Line 11, after "CREDITS" insert "UNDER SECTION 43-1074.01 OR 43-1168, AS
20 APPLICABLE,"
- 21 Line 17, after the first "THE" insert "APPLICANT'S"; after "CREDITS" insert
22 "FOR REINVESTMENT"
- 23 Line 23, after "APPROVE" strike remainder of line
- 24 Line 24, strike "BALANCE OF"; strike "CREDITS" insert "CREDIT REINVESTMENTS"

Senate Amendments to S.B. 1643

- 1 Page 3, line 25, after the period insert "INCOME TAX"
- 2 Line 30, after "PURPOSES" insert "IN THIS STATE"
- 3 Page 4, lines 4 and 6, after "LEARNING" insert "OR A CAREER TECHNICAL EDUCATION
- 4 DISTRICT"
- 5 Line 10, after the first "A" insert "CAPITAL EXPENDITURE"; strike
- 6 "DEMONSTRATES RECEIPT OF" insert "IS SUPPORTED BY"
- 7 Line 12, after "DISTRIBUTE" insert "INCOME TAX REINVESTMENT"
- 8 Line 15, strike "INVESTMENT" insert "REINVESTMENT"
- 9 Strike lines 29 and 30
- 10 Page 5, line 5, strike "\$55,075,000" insert "\$50,075,000"
- 11 Strike lines 10 and 11
- 12 Renumber to conform
- 13 Amend title to conform

DAVID GOWAN

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