

House Engrossed

constitutional property tax exemptions; consolidation

State of Arizona
House of Representatives
Fifty-fifth Legislature
Second Regular Session
2022

HOUSE CONCURRENT RESOLUTION 2017

A CONCURRENT RESOLUTION

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA; REPEALING ARTICLE IX, SECTIONS 2, 2.1, 2.2 AND 2.3, CONSTITUTION OF ARIZONA; AMENDING ARTICLE IX, CONSTITUTION OF ARIZONA, BY ADDING A NEW SECTION 2; 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,
2 the Senate concurring:

3 1. Article IX, sections 2, 2.1, 2.2 and 2.3, Constitution of
4 Arizona, are proposed to be repealed as follows if approved by the voters
5 and on proclamation of the Governor:

6 Article IX, sections 2, 2.1, 2.2 and 2.3, Constitution
7 of Arizona, relating to exemptions from property taxation, are
8 repealed.

9 2. Article IX, Constitution of Arizona, is proposed to be amended
10 by adding a new section 2 as follows if approved by the voters and on
11 proclamation of the Governor:

12 2. Property subject to taxation; exemptions

13 SECTION 2. A. ALL PROPERTY IN THIS STATE THAT IS NOT
14 EXEMPT UNDER THE LAWS OF THE UNITED STATES OR UNDER THIS
15 SECTION IS SUBJECT TO TAXATION AS PROVIDED BY LAW.

16 B. PROPERTY THAT HAS BEEN CONVEYED TO EVADE TAXATION IS
17 NOT EXEMPT.

18 C. THE FOLLOWING PROPERTY IS EXEMPT FROM TAXATION:

19 1. ALL FEDERAL, STATE, COUNTY AND MUNICIPAL PROPERTY.

20 2. PUBLIC DEBTS, AS EVIDENCED BY THE BONDS OF THIS
21 STATE AND ITS COUNTIES, MUNICIPALITIES AND OTHER POLITICAL
22 SUBDIVISIONS.

23 3. HOUSEHOLD GOODS THAT ARE OWNED BY THE USER OF THE
24 GOODS AND THAT ARE USED SOLELY FOR NONCOMMERCIAL PURPOSES.

25 4. STOCKS OF RAW OR FINISHED MATERIALS, UNASSEMBLED
26 PARTS, WORKS IN PROCESS OR FINISHED PRODUCTS CONSTITUTING THE
27 INVENTORY OF A RETAILER OR WHOLESALE THAT IS LOCATED IN THIS
28 STATE AND PRINCIPALLY ENGAGED IN THE RESALE OF THE MATERIALS,
29 PARTS, WORKS OR PRODUCTS, WHETHER OR NOT FOR RESALE TO THE
30 ULTIMATE CONSUMER.

31 D. SUBSECTION C OF THIS SECTION IS SELF-EXECUTING, AND
32 PERSONS WHO ARE ENTITLED TO THE EXEMPTION ARE NOT REQUIRED TO
33 TAKE ANY AFFIRMATIVE ACTION TO RECEIVE THE BENEFIT OF THE
34 EXEMPTION.

35 E. THE LEGISLATURE MAY EXEMPT THE FOLLOWING PROPERTY BY
36 LAW:

37 1. THE PROPERTY OF AN EDUCATIONAL, CHARITABLE OR
38 RELIGIOUS ASSOCIATION OR INSTITUTION THAT IS NOT USED OR HELD
39 FOR PROFIT.

40 2. CEMETERIES THAT ARE SET APART AND USED TO INTER
41 DECEASED HUMAN BEINGS.

42 3. THE PROPERTY OF A WIDOW OR WIDOWER WHO IS A RESIDENT
43 OF THIS STATE.

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4. THE PROPERTY OF A RESIDENT OF THIS STATE WHO IS AT LEAST EIGHTEEN YEARS OF AGE AND WHO HAS A MEDICALLY CERTIFIED TOTAL AND PERMANENT DISABILITY.

5. THE PROPERTY OF AN HONORABLY DISCHARGED VETERAN OF THE UNIFORMED SERVICES OF THE UNITED STATES WHO IS A RESIDENT OF THIS STATE AND WHO HAS A SERVICE OR NONSERVICE CONNECTED DISABILITY AS DETERMINED BY THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS, OR ITS SUCCESSOR.

F. THE LEGISLATURE MAY EXEMPT PERSONAL PROPERTY THAT IS USED IN A TRADE OR BUSINESS OR FOR AGRICULTURAL PURPOSES, EXCEPT THAT THE EXEMPTION DOES NOT APPLY TO ANY AMOUNT OF THE FULL CASH VALUE OF THE PERSONAL PROPERTY OF A TAXPAYER THAT EXCEEDS \$220,000. THE LEGISLATURE MAY PROVIDE BY LAW TO INCREASE THE EXEMPTION AMOUNT ACCORDING TO ANNUAL VARIATIONS IN A DESIGNATED NATIONAL INFLATION INDEX.

G. THE LEGISLATURE MAY DETERMINE BY LAW THE QUALIFICATIONS FOR, AND THE AMOUNT OF, THE EXEMPTIONS OF PROPERTY DESCRIBED IN SUBSECTION E OF THIS SECTION.

H. A PERSON IS NOT ELIGIBLE FOR EXEMPTION UNDER MORE THAN ONE CATEGORY AS A WIDOW, WIDOWER, PERSON WITH A DISABILITY OR VETERAN WITH A DISABILITY UNDER SUBSECTION E, PARAGRAPH 3, 4 OR 5 OF THIS SECTION.

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