

REFERENCE TITLE: business personal property tax exemption..

State of Arizona
Senate
Forty-eighth Legislature
First Regular Session
2007

SCR 1018

Introduced by
Senators Leff, Chevront: Representative Stump

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 Senate of the State of Arizona, the House of
2 Representatives concurring:

3 2. Property subject to taxation; exemptions

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

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

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

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

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

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

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

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

40 (a) One thousand five hundred dollars if the total
41 assessment of such person does not exceed three thousand five
42 hundred dollars.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

41 (11) There shall be further exempt from taxation the
42 property of each widow, resident of this state, in the amount
43 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.