

REFERENCE TITLE: tax credit review committee; membership

State of Arizona
House of Representatives
Forty-eighth Legislature
First Regular Session
2007

HB 2081

Introduced by
Representatives Yarbrough: Biggs, Groe, Murphy

AN ACT

AMENDING SECTION 43-221, ARIZONA REVISED STATUTES; RELATING TO THE INCOME TAX
CREDIT REVIEW COMMITTEE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 43-221, Arizona Revised Statutes, is amended to
3 read:

4 43-221. Joint legislative income tax credit review committee

5 A. The joint legislative income tax credit review committee is
6 established consisting of the following members:

7 1. ~~Five~~ SIX members of the house of representatives ways and means
8 committee appointed by the speaker of the house of representatives. Not more
9 than ~~three~~ FOUR appointees shall be of the same political party.

10 2. ~~Five~~ SIX members of the senate finance committee appointed by the
11 president of the senate. Not more than ~~three~~ FOUR appointees shall be of the
12 same political party.

13 B. The committee shall determine the original purpose of existing tax
14 credits and establish a standard for evaluating and measuring the success or
15 failure of the tax credits. The standard for evaluating tax credits may
16 include:

17 1. The history, rationale and estimated revenue impact of the credit.

18 2. Whether the credit has provided a benefit to this state including,
19 for corporate tax credits, measurable economic development, new investments,
20 creation of new jobs or retention of existing jobs in this state.

21 3. Whether the credit is unnecessarily complex in the application,
22 administration and approval process.

23 C. The committee shall review the individual and corporate income tax
24 credits pursuant to the schedule prescribed in section 43-222. The committee
25 shall use the joint legislative budget committee staff and may use the staff
26 of the department of revenue and legislative council for assistance.

27 D. After completing the review process, the committee shall determine
28 whether the credit should be amended, repealed or retained. If the credit is
29 recommended to be retained or amended, the committee shall recommend that the
30 credit be returned to the income tax credit review schedule prescribed in
31 section 43-222. The next review year shall be the fifth full calendar year
32 following the date the credit was reviewed. The committee shall report its
33 findings and recommendations to the president of the senate, the speaker of
34 the house of representatives and the governor by December 15 of the year that
35 the committee reviews the credit. The committee shall provide a copy of the
36 report to the director of the Arizona state library, archives and public
37 records.