

DIAL FLOOR AMENDMENT
HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1487
(Reference to Senate engrossed bill)

1 Page 31, after line 35, insert:

2 "Sec. 18. Section 43-1011, Arizona Revised Statutes, is amended to
3 read:

4 43-1011. Taxes and tax rates

5 There shall be levied, collected and paid for each taxable year upon
6 the entire taxable income of every resident of this state and upon the entire
7 taxable income of every nonresident which is derived from sources within this
8 state taxes determined in the following manner:

9 1. For taxable years beginning from and after December 31, 1996
10 through December 31, 1997:

11 (a) In the case of a single person or a married person filing
12 separately:

13 <u>If taxable income is:</u>	<u>The tax is:</u>
14 \$0 - \$10,000	2.90% of taxable income
15 \$10,001 - \$25,000	\$290, plus 3.30% of the excess over \$10,000
16 \$25,001 - \$50,000	\$785, plus 3.90% of the excess over \$25,000
17 \$50,001 - \$150,000	\$1,760, plus 4.80% of the excess over \$50,000
18 \$150,001 and over	\$6,560, plus 5.17% of the excess over \$150,000

19 (b) In the case of a married couple filing a joint return or a single
20 person who is a head of a household:

21 <u>If taxable income is:</u>	<u>The tax is:</u>
22 \$0 - \$20,000	2.90% of taxable income
23 \$20,001 - \$50,000	\$580, plus 3.30% of the excess over \$20,000
24 \$50,001 - \$100,000	\$1,570, plus 3.90% of the excess over \$50,000

1	\$100,001 - \$300,000	\$3,520, plus 4.80% of the excess over \$100,000
2	\$300,001 and over	\$13,120, plus 5.17% of the excess over \$300,000

3 2. For taxable years beginning from and after December 31, 1997
4 through December 31, 1998:

5 (a) In the case of a single person or a married person filing
6 separately:

7	<u>If taxable income is:</u>	<u>The tax is:</u>
8	\$0 - \$10,000	2.88% of taxable income
9	\$10,001 - \$25,000	\$288, plus 3.24% of the excess over \$10,000
10	\$25,001 - \$50,000	\$774, plus 3.82% of the excess over \$25,000
11	\$50,001 - \$150,000	\$1,729, plus 4.74% of the excess over \$50,000
12	\$150,001 and over	\$6,469, plus 5.10% of the excess over \$150,000

13 (b) In the case of a married couple filing a joint return or a single
14 person who is a head of a household:

15	<u>If taxable income is:</u>	<u>The tax is:</u>
16	\$0 - \$20,000	2.88% of taxable income
17	\$20,001 - \$50,000	\$576, plus 3.24% of the excess over \$20,000
18	\$50,001 - \$100,000	\$1,548, plus 3.82% of the excess over \$50,000
19	\$100,001 - \$300,000	\$3,458, plus 4.74% of the excess over \$100,000
20	\$300,001 and over	\$12,938, plus 5.10% of the excess over \$300,000

21 3. For taxable years beginning from and after December 31, 1998
22 through December 31, 2005:

23 (a) In the case of a single person or a married person filing
24 separately:

25	<u>If taxable income is:</u>	<u>The tax is:</u>
26	\$0 - \$10,000	2.87% of taxable income
27	\$10,001 - \$25,000	\$287, plus 3.20% of the excess over \$10,000
28	\$25,001 - \$50,000	\$767, plus 3.74% of the excess over \$25,000
29	\$50,001 - \$150,000	\$1,702, plus 4.72% of the excess over \$50,000
30	\$150,001 and over	\$6,422, plus 5.04% of the excess over \$150,000

31 (b) In the case of a married couple filing a joint return or a single
32 person who is a head of a household:

<u>If taxable income is:</u>	<u>The tax is:</u>
\$0 - \$20,000	2.87% of taxable income
\$20,001 - \$50,000	\$574, plus 3.20% of the excess over \$20,000
\$50,001 - \$100,000	\$1,534, plus 3.74% of the excess over \$50,000
\$100,001 - \$300,000	\$3,404, plus 4.72% of the excess over \$100,000
\$300,001 and over	\$12,844, plus 5.04% of the excess over \$300,000

4. For taxable years beginning from and after December 31, 2005 through December 31, 2006:

(a) In the case of a single person or a married person filing separately:

<u>If taxable income is:</u>	<u>The tax is:</u>
\$0 - \$10,000	2.73% of taxable income
\$10,001 - \$25,000	\$273, plus 3.04% of the excess over \$10,000
\$25,001 - \$50,000	\$729, plus 3.55% of the excess over \$25,000
\$50,001 - \$150,000	\$1,617, plus 4.48% of the excess over \$50,000
\$150,001 and over	\$6,097, plus 4.79% of the excess over \$150,000

(b) In the case of a married couple filing a joint return or a single person who is a head of a household:

<u>If taxable income is:</u>	<u>The tax is:</u>
\$0 - \$20,000	2.73% of taxable income
\$20,001 - \$50,000	\$546, plus 3.04% of the excess over \$20,000
\$50,001 - \$100,000	\$1,458, plus 3.55% of the excess over \$50,000
\$100,001 - \$300,000	\$3,233, plus 4.48% of the excess over \$100,000
\$300,001 and over	\$12,193, plus 4.79% of the excess over \$300,000

5. For taxable years beginning from and after December 31, 2006 THROUGH DECEMBER 31, 2015:

(a) In the case of a single person or a married person filing separately:

<u>If taxable income is:</u>	<u>The tax is:</u>
\$0 - \$10,000	2.59% of taxable income
\$10,001 - \$25,000	\$259, plus 2.88% of the excess over \$10,000
\$25,001 - \$50,000	\$691, plus 3.36% of the excess over \$25,000

1	\$50,001 - \$150,000	\$1,531, plus 4.24% of the excess over \$50,000
2	\$150,001 and over	\$5,771, plus 4.54% of the excess over \$150,000

3 (b) In the case of a married couple filing a joint return or a single
4 person who is a head of a household:

5	<u>If taxable income is:</u>	<u>The tax is:</u>
6	\$0 - \$20,000	2.59% of taxable income
7	\$20,001 - \$50,000	\$518, plus 2.88% of the excess over \$20,000
8	\$50,001 - \$100,000	\$1,382, plus 3.36% of the excess over \$50,000
9	\$100,001 - \$300,000	\$3,062, plus 4.24% of the excess over \$100,000
10	\$300,001 and over	\$11,542, plus 4.54% of the excess over \$300,000

11 6. FOR TAXABLE YEARS BEGINNING FROM AND AFTER DECEMBER 31, 2015, IN
12 THE CASE OF:

13 (a) A SINGLE PERSON OR A MARRIED PERSON FILING SEPARATELY, THE TAX IS
14 TWO AND ONE-HALF PER CENT OF THE AMOUNT OF TAXABLE INCOME IN EXCESS OF
15 FIFTEEN THOUSAND DOLLARS.

16 (b) A MARRIED COUPLE FILING A JOINT RETURN OR A SINGLE PERSON WHO IS A
17 HEAD OF A HOUSEHOLD, THE TAX IS TWO AND ONE-HALF PER CENT OF THE AMOUNT OF
18 TAXABLE INCOME IN EXCESS OF THIRTY THOUSAND DOLLARS.

19 Sec. 19. Section 43-1022, Arizona Revised Statutes, is amended to
20 read:

21 43-1022. Subtractions from Arizona gross income

22 In computing Arizona adjusted gross income, the following amounts shall
23 be subtracted from Arizona gross income UP TO AN AGGREGATE AMOUNT EQUAL TO NO
24 MORE THAN TWENTY-FIVE PER CENT OF ARIZONA GROSS INCOME BEFORE ANY
25 SUBTRACTIONS UNDER THIS SECTION:

- 26 1. The amount of exemptions allowed by section 43-1023.
- 27 2. Benefits, annuities and pensions in an amount totaling not more
28 than two thousand five hundred dollars received from one or more of the
29 following:

30 (a) The United States government service retirement and disability
31 fund, retired or retainer pay of the uniformed services of the United States,

1 the United States foreign service retirement and disability system and any
2 other retirement system or plan established by federal law.

3 (b) The Arizona state retirement system, the corrections officer
4 retirement plan, the public safety personnel retirement system, the elected
5 officials' retirement plan, an optional retirement program established by the
6 Arizona board of regents under section 15-1628, an optional retirement
7 program established by a community college district board under section
8 15-1451 or a retirement plan established for employees of a county, city or
9 town in this state.

10 3. A beneficiary's share of the fiduciary adjustment to the extent
11 that the amount determined by section 43-1333 decreases the beneficiary's
12 Arizona gross income.

13 4. The amount of any distributions from an individual retirement
14 account as provided for in section 408 of the internal revenue code or from a
15 qualified retirement plan of a self-employed individual as provided for in
16 section 401 of the internal revenue code to the extent that total adjustments
17 made pursuant to this paragraph in all tax years do not exceed the total of
18 all contributions made by the taxpayer to such plans before December 31,
19 1975, which were included in computing Arizona taxable income.

20 5. The amount of income on an installment receivable that is
21 recognized pursuant to the internal revenue code and that has already been
22 recognized on the death of the taxpayer for purposes of this title for tax
23 years ending before January 1, 1990.

24 6. Interest income received on obligations of the United States, less
25 any interest on indebtedness, or other related expenses, and deducted in
26 arriving at Arizona gross income, which were incurred or continued to
27 purchase or carry such obligations.

28 7. The amount of any income tax refunds that were received from states
29 other than Arizona and that were included as income in computing federal
30 adjusted gross income.

1 8. Annuity income included in federal adjusted gross income pursuant
2 to section 72 of the internal revenue code if the first payment with respect
3 to such annuity was received before December 31, 1978.

4 9. The excess of a partner's share of income required to be included
5 under section 702(a)(8) of the internal revenue code over the income required
6 to be included under chapter 14, article 2 of this title.

7 10. The excess of a partner's share of partnership losses determined
8 pursuant to chapter 14, article 2 of this title over the losses allowable
9 under section 702(a)(8) of the internal revenue code.

10 11. The amount by which the adjusted basis of property described in
11 this paragraph and computed pursuant to this title and the income tax act of
12 1954, as amended, exceeds the adjusted basis of such property computed
13 pursuant to the internal revenue code. This paragraph shall apply to all
14 property that is held for the production of income and that is sold or
15 otherwise disposed of during the taxable year other than depreciable property
16 used in a trade or business.

17 12. The amount allowed by section 43-1024 for amortization, by a
18 qualified defense contractor certified by the Arizona commerce authority
19 under section 41-1508, of a capital investment for private commercial
20 activities.

21 13. The amount of gain included in federal adjusted gross income on the
22 sale or other disposition of a capital investment that a qualified defense
23 contractor has elected to amortize pursuant to section 43-1024.

24 14. The amount allowed by section 43-1025 for contributions during the
25 taxable year of agricultural crops to charitable organizations.

26 15. The portion of any wages or salaries paid or incurred by the
27 taxpayer for the taxable year that is equal to the amount of the federal work
28 opportunity credit, the empowerment zone employment credit, the credit for
29 employer paid social security taxes on employee cash tips and the Indian
30 employment credit that the taxpayer received under sections 45A, 45B, 51(a)
31 and 1396 of the internal revenue code.

1 16. The amount of prizes or winnings less than five thousand dollars in
2 a single taxable year from any of the state lotteries established and
3 operated pursuant to title 5, chapter 5.1, article 1, except that all such
4 winnings before March 22, 1983, including periodic distributions from such
5 winnings made after March 22, 1983, may be subtracted.

6 17. The amount of exploration expenses that is determined pursuant to
7 section 617 of the internal revenue code, that has been deferred in a taxable
8 year ending before January 1, 1990 and for which a subtraction has not
9 previously been made. The subtraction shall be made on a ratable basis as
10 the units of produced ores or minerals discovered or explored as a result of
11 this exploration are sold.

12 18. The amount included in federal adjusted gross income pursuant to
13 section 86 of the internal revenue code, relating to taxation of social
14 security and railroad retirement benefits.

15 19. To the extent not already excluded from Arizona gross income under
16 the internal revenue code, compensation received for active service as a
17 member of the reserves, the national guard or the armed forces of the United
18 States, including compensation for service in a combat zone as determined
19 under section 112 of the internal revenue code.

20 20. The amount of unreimbursed medical and hospital costs, adoption
21 counseling, legal and agency fees and other nonrecurring costs of adoption
22 not to exceed three thousand dollars. In the case of a husband and wife who
23 file separate returns, the subtraction may be taken by either taxpayer or may
24 be divided between them, but the total subtractions allowed both husband and
25 wife shall not exceed three thousand dollars. The subtraction under this
26 paragraph may be taken for the costs that are described in this paragraph and
27 that are incurred in prior years, but the subtraction may be taken only in
28 the year during which the final adoption order is granted.

29 21. The amount authorized by section 43-1027 for the taxable year
30 relating to qualified wood stoves, wood fireplaces or gas fired fireplaces.

31 22. With respect to a medical savings account established pursuant to
32 section 43-1028:

1 (a) An eligible individual may subtract:

2 (i) The amount of contributions made by the individual's employer
3 during the taxable year to the individual's medical savings account pursuant
4 to section 43-1028 to the extent that the employer contributions are included
5 in the individual's federal adjusted gross income.

6 (ii) The amount deposited by the individual in the account during the
7 taxable year to the extent that the individual's contributions are included
8 in the individual's federal adjusted gross income.

9 (b) The individual's employer may subtract the amount of contributions
10 made by the employer to a medical savings account established on the
11 individual's behalf to the extent that the contributions are not deductible
12 under the internal revenue code.

13 23. The amount by which a net operating loss carryover or capital loss
14 carryover allowable pursuant to section 43-1029, subsection F exceeds the net
15 operating loss carryover or capital loss carryover allowable pursuant to
16 section 1341(b)(5) of the internal revenue code.

17 24. Any amount of qualified educational expenses that is distributed
18 from a qualified state tuition program determined pursuant to section 529 of
19 the internal revenue code and that is included in income in computing federal
20 adjusted gross income.

21 25. Any item of income resulting from an installment sale that has been
22 properly subjected to income tax in another state in a previous taxable year
23 and that is included in Arizona gross income in the current taxable year.

24 26. The amount authorized by section 43-1030 relating to holocaust
25 survivors.

26 27. For property placed in service:

27 (a) In taxable years beginning before December 31, 2012, an amount
28 equal to the depreciation allowable pursuant to section 167(a) of the
29 internal revenue code for the taxable year computed as if the election
30 described in section 168(k)(2)(D)(iii) of the internal revenue code had been
31 made for each applicable class of property in the year the property was
32 placed in service.

1 (b) In taxable years beginning from and after December 31, 2012
2 through December 31, 2013, an amount determined in the year the asset was
3 placed in service based on the calculation in subdivision (a) of this
4 paragraph. In the first taxable year beginning from and after December 31,
5 2013, the taxpayer may elect to subtract the amount necessary to make the
6 depreciation claimed to date for the purposes of this title the same as it
7 would have been if subdivision (c) of this paragraph had applied for the
8 entire time the asset was in service. Subdivision (c) of this paragraph
9 applies for the remainder of the asset's life. If the taxpayer does not make
10 the election under this subdivision, subdivision (a) of this paragraph
11 applies for the remainder of the asset's life.

12 (c) In taxable years beginning from and after December 31, 2013, an
13 amount equal to the depreciation allowable pursuant to section 167(a) of the
14 internal revenue code for the taxable year as computed as if the additional
15 allowance for depreciation had been ten per cent of the amount allowed
16 pursuant to section 168(k) of the internal revenue code.

17 28. With respect to property that is sold or otherwise disposed of
18 during the taxable year by a taxpayer that complied with section 43-1021,
19 paragraph 25 with respect to that property, the amount of depreciation that
20 has been allowed pursuant to section 167(a) of the internal revenue code to
21 the extent that the amount has not already reduced Arizona taxable income in
22 the current or prior taxable years.

23 29. With respect to property for which an adjustment was made under
24 section 43-1021, paragraph 26, an amount equal to one-fifth of the amount of
25 the adjustment pursuant to section 43-1021, paragraph 26 in the year in which
26 the amount was adjusted under section 43-1021, paragraph 26 and in each of
27 the following four years.

28 30. The amount contributed during the taxable year to college savings
29 plans established pursuant to section 529 of the internal revenue code to the
30 extent that the contributions were not deducted in computing federal adjusted
31 gross income. The amount subtracted shall not exceed:

1 (a) Two thousand dollars for a single individual or a head of
2 household.

3 (b) Four thousand dollars for a married couple filing a joint
4 return. In the case of a husband and wife who file separate returns, the
5 subtraction may be taken by either taxpayer or may be divided between them,
6 but the total subtractions allowed both husband and wife shall not exceed
7 four thousand dollars.

8 31. The amount of any original issue discount that was deferred and not
9 allowed to be deducted in computing federal adjusted gross income or federal
10 taxable income in the current taxable year pursuant to section 108(i) of the
11 internal revenue code as added by section 1231 of the American recovery and
12 reinvestment act of 2009 (P.L. 111-5).

13 32. The amount of previously deferred discharge of indebtedness income
14 that is included in the computation of federal adjusted gross income or
15 federal taxable income in the current taxable year pursuant to section 108(i)
16 of the internal revenue code as added by section 1231 of the American
17 recovery and reinvestment act of 2009 (P.L. 111-5), to the extent that the
18 amount was previously added to Arizona gross income pursuant to section
19 43-1021, paragraph 31.

20 33. The portion of the net operating loss carryforward that would have
21 been allowed as a deduction in the current year pursuant to section 172 of
22 the internal revenue code if the election described in section 172(b)(1)(H)
23 of the internal revenue code had not been made in the year of the loss that
24 exceeds the actual net operating loss carryforward that was deducted in
25 arriving at federal adjusted gross income. This subtraction only applies to
26 taxpayers who made an election under section 172(b)(1)(H) of the internal
27 revenue code as amended by section 1211 of the American recovery and
28 reinvestment act of 2009 (P.L. 111-5) or as amended by section 13 of the
29 worker, homeownership, and business assistance act of 2009 (P.L. 111-92).

30 34. For taxable years beginning from and after December 31, 2013, the
31 amount of any net capital gain included in federal adjusted gross income for

1 the taxable year derived from investment in a qualified small business as
2 determined by the Arizona commerce authority pursuant to section 41-1518.

3 35. An amount of any net long-term capital gain included in federal
4 adjusted gross income for the taxable year that is derived from an investment
5 in an asset acquired after December 31, 2011, as follows:

6 (a) For taxable years beginning from and after December 31, 2012
7 through December 31, 2013, ten per cent of the net long-term capital gain
8 included in federal adjusted gross income.

9 (b) For taxable years beginning from and after December 31, 2013
10 through December 31, 2014, twenty per cent of the net long-term capital gain
11 included in federal adjusted gross income.

12 (c) For taxable years beginning from and after December 31, 2014,
13 twenty-five per cent of the net long-term capital gain included in federal
14 adjusted gross income.

15 For the purposes of this paragraph, a transferee that receives an asset by
16 gift or at the death of a transferor is considered to have acquired the asset
17 when the asset was acquired by the transferor. If the date an asset is
18 acquired cannot be verified, a subtraction under this paragraph is not
19 allowed.

20 36. If an individual is not claiming itemized deductions pursuant to
21 section 43-1042, the amount of premium costs for long-term care insurance, as
22 defined in section 20-1691.

23 37. With respect to a long-term health care savings account established
24 pursuant to section 43-1032, the amount deposited by the taxpayer in the
25 account during the taxable year to the extent that the taxpayer's
26 contributions are included in the taxpayer's federal adjusted gross income.

27 Sec. 20. Section 43-1111, Arizona Revised Statutes, is amended to
28 read:

29 43-1111. Tax rates for corporations

30 There shall be levied, collected and paid for each taxable year upon
31 the entire Arizona taxable income of every corporation, unless exempt under

1 section 43-1126 or 43-1201 or as otherwise provided in this title or by law,
2 taxes in an amount of the greater of fifty dollars or:

3 1. For taxable years beginning through December 31, 2013, 6.968 per
4 cent of net income.

5 2. For taxable years beginning from and after December 31, 2013
6 through December 31, 2014, 6.5 per cent of net income.

7 3. For taxable years beginning from and after December 31, 2014
8 through December 31, 2015, 6.0 per cent of net income.

9 4. For taxable years beginning from and after December 31, 2015,
10 ~~through December 31, 2016 5.5~~ 2.5 per cent of net income.

11 ~~5. For taxable years beginning from and after December 31, 2016, 4.9~~
12 ~~per cent of net income.~~

13 Sec. 21. Section 43-1122, Arizona Revised Statutes, is amended to
14 read:

15 43-1122. Subtractions from Arizona gross income; corporations

16 In computing Arizona taxable income for a corporation, the following
17 amounts shall be subtracted from Arizona gross income UP TO AN AGGREGATE
18 AMOUNT EQUAL TO NO MORE THAN TWENTY-FIVE PER CENT OF ARIZONA GROSS INCOME
19 BEFORE ANY SUBTRACTIONS UNDER THIS SECTION:

20 1. The amounts computed pursuant to section 43-1022, paragraphs 8
21 through 15, 27, 28, ~~30 and~~ 29, 31 AND 32. For the purposes of this
22 paragraph, "federal adjusted gross income" as used in section 43-1022 means
23 "federal taxable income".

24 2. The amount of Arizona capital loss carryover as defined in section
25 43-1124 in an amount not to exceed one thousand dollars.

26 3. With respect to a financial institution as defined in section
27 6-101, expenses and interest relating to tax-exempt income disallowed
28 pursuant to section 265 of the internal revenue code.

29 4. Dividends received from another corporation owned or controlled
30 directly or indirectly by a recipient corporation. For the purposes of this
31 paragraph, "control" means direct or indirect ownership or control of fifty
32 per cent or more of the voting stock of the payor corporation by the

1 recipient corporation. Dividends shall have the meaning provided in section
2 316 of the internal revenue code. This subtraction shall apply without
3 regard to section 43-961, paragraph 2 and article 4 of this chapter. A
4 corporation that has its commercial domicile, as defined in section 43-1131,
5 in this state may subtract the full amount of the dividends. A corporation
6 that does not have its commercial domicile in this state may subtract:

7 (a) For its taxable year beginning in 1990, an amount equal to
8 one-half of the dividends.

9 (b) For taxable years beginning in 1991 and thereafter, the full
10 amount of the dividends.

11 5. Interest income received on obligations of the United States.

12 6. The amount of dividend income from foreign corporations.

13 7. The amount of net operating loss allowed by section 43-1123.

14 8. The amount of any state income tax refunds received which were
15 included as income in computing federal taxable income.

16 9. The amount of expense recapture included in income pursuant to
17 section 617 of the internal revenue code for mine exploration expenses.

18 10. The amount of deferred exploration expenses allowed by section
19 43-1127.

20 11. The amount of exploration expenses related to the exploration of
21 oil, gas or geothermal resources, computed in the same manner and on the same
22 basis as a deduction for mine exploration pursuant to section 617 of the
23 internal revenue code. This computation is subject to the adjustments
24 contained in section 43-1121, paragraph 8 and paragraphs 9 and 10 of this
25 section relating to exploration expenses.

26 12. The amortization of pollution control devices allowed by section
27 43-1129.

28 13. The amount of amortization of the cost of child care facilities
29 pursuant to section 43-1130.

30 14. The amount of income from a domestic international sales
31 corporation required to be included in the income of its shareholders
32 pursuant to section 995 of the internal revenue code.

1 15. The income of an insurance company that is exempt under section
2 43-1201 to the extent that it is included in computing Arizona gross income
3 on a consolidated return pursuant to section 43-947.

4 16. The amount of contributions by the taxpayer during the taxable year
5 to medical savings accounts established on behalf of the taxpayer's employees
6 as provided by section 43-1028, to the extent that the contributions are not
7 deductible under the internal revenue code.

8 17. The amount by which a capital loss carryover allowable pursuant to
9 section 43-1130.01, subsection F exceeds the capital loss carryover allowable
10 pursuant to section 1341(b)(5) of the internal revenue code.

11 18. An amount equal to the depreciation allowable pursuant to section
12 167(a) of the internal revenue code for the taxable year computed as if the
13 election described in section 168(k)(2)(D)(iii) of the internal revenue code
14 had been made for each applicable class of property in the year the property
15 was placed in service.

16 Sec. 22. Single income tax rate legislative study committee:
17 membership; duties; report; delayed repeal

18 A. The single income tax rate legislative study committee is
19 established consisting of the following members:

20 1. Five members of the senate who are appointed by the president of
21 the senate.

22 2. Five members of the house of representatives who are appointed by
23 the speaker of the house of representatives.

24 3. Five members who are appointed by the governor.

25 B. The study committee shall:

26 1. Study and make findings and conclusions and develop recommendations
27 for the implementation of the single income tax rate for individuals and
28 corporations in a revenue neutral manner.

29 2. Meet at least once each month. All meetings of the study committee
30 are open to the public.

31 3. Submit a report of the study committee's findings, conclusions and
32 recommendations to the governor, the president of the senate and the speaker

1 of the house of representatives not later than September 30, 2015. The study
2 committee shall provide a copy of the report to the secretary of state.

3 C. On the request of the study committee, an agency of this state
4 shall provide its services, equipment, documents, personnel and facilities to
5 the committee to the extent possible without cost to the committee.

6 D. The senate and the house of representatives shall provide staff and
7 support services to the study committee.

8 E. Members of the study committee are not eligible to receive
9 compensation but are eligible for reimbursement of expenses pursuant to title
10 38, chapter 4, article 2, Arizona Revised Statutes.

11 F. If the study committee's report fails to make legislative
12 recommendations that allow for the revenue neutral implementation of the
13 single income tax rate for individuals and corporations, the study committee
14 shall propose legislation expanding the transaction privilege tax base to
15 produce additional transaction privilege tax revenue to offset the projected
16 loss of revenue resulting from the single income tax rate.

17 G. This section is repealed from and after December 31, 2015."

18 Amend title to conform

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