

PROPOSED AMENDMENT  
SENATE AMENDMENTS TO S.B. 1399  
(Reference to printed bill)

Page 1, line 14, strike "~~, residential rental~~" insert ", residential rental"

Page 2, strike lines 3, 4 and 5, insert:

"1. RECORD A MEMORANDUM OF LEASE IN THE OFFICE OF THE COUNTY RECORDER  
IN THE COUNTY IN WHICH THE GOVERNMENT PROPERTY IMPROVEMENT IS LOCATED. THE  
MEMORANDUM OF LEASE MUST INCLUDE THE BASIC LEASE TERMS, INCLUDING THE NAMES  
OF THE PARTIES, THE LEASED PROPERTY, THE LEASE TERM, INCLUDING THE BEGINNING  
AND ENDING DATES, THE TYPES AND USAGE OF THE STRUCTURES INCLUDED IN THE  
IMPROVEMENT, THE TOTAL GROSS BUILDING SPACE OF THE IMPROVEMENTS, THE  
APPLICABLE TAX RATES PRESCRIBED BY SECTION 42-6203, THE ESTIMATED ANNUAL TAX  
PAYMENTS THE LESSEE IS REQUIRED TO PAY OVER THE TERM OF THE LEASE AND ANY  
OPTIONS TO RENEW THE LEASE OR TO PURCHASE ANY OF THE GOVERNMENT PROPERTY  
IMPROVEMENT OR GOVERNMENT OWNED LAND."

Line 8, after "BY" insert "CITY AND"

Strike lines 15 through 44

Strike pages 3 and 4

Page 5, strike lines 1 through 5, insert:

"Sec. 3. Section 42-6203, Arizona Revised Statutes, is amended to  
read:

42-6203. Rates of tax

A. Except as otherwise provided in this section, IF THE CURRENT LEASE  
OF THE GOVERNMENT PROPERTY IMPROVEMENT, BETWEEN THE CURRENT PRIME LESSEE AND  
THE CURRENT GOVERNMENT LESSOR, WAS ENTERED INTO ON OR BEFORE SEPTEMBER 30,  
2009:

1. The tax authorized by this article ~~shall be~~ IS levied and SHALL BE  
collected at the following rates:

~~1.~~ (a) One dollar per square foot of gross building space for office  
buildings with one floor above ground.

1           ~~2.~~ (b) One dollar twenty-five cents per square foot of gross building  
2 space for office buildings with more than one but fewer than eight floors  
3 above ground.

4           ~~3.~~ (c) One dollar seventy-five cents per square foot of gross  
5 building space for office buildings with eight floors or more above ground.

6           ~~4.~~ (d) One dollar fifty cents per square foot of retail building  
7 space, including space that is devoted to the sale of tangible personal  
8 property, restaurants, health clubs, hair salons, dry cleaners, travel  
9 agencies and other retail services.

10          ~~5.~~ (e) One dollar fifty cents per square foot of hotel or motel  
11 building space.

12          ~~6.~~ (f) Seventy-five cents per square foot of warehouse or industrial  
13 building space.

14          ~~7.~~ (g) Fifty cents per square foot of residential rental building  
15 space.

16          ~~8.~~ (h) One hundred dollars per parking space located in a parking  
17 garage or deck.

18          ~~9.~~ (i) One dollar per square foot of all other government property  
19 improvements not included in ~~paragraphs 1 through 8~~ SUBDIVISIONS (a) THROUGH  
20 (h) of this ~~subsection~~ PARAGRAPH.

21          ~~B.~~ 2. The tax rate for government property improvements for which the  
22 original certificate of occupancy was issued:

23           ~~1.~~ (a) At least ten years but less than twenty years before the date  
24 the tax is due is eighty per cent of the rate provided in ~~subsection A~~  
25 PARAGRAPH 1 of this ~~section~~ SUBSECTION.

26           ~~2.~~ (b) At least twenty years but less than thirty years before the  
27 date the tax is due is sixty per cent of the rate provided in ~~subsection A~~  
28 PARAGRAPH 1 of this ~~section~~ SUBSECTION.

29           ~~3.~~ (c) At least thirty but less than forty years before the date the  
30 tax is due is forty per cent of the rate provided in ~~subsection A~~ PARAGRAPH 1  
31 of this ~~section~~ SUBSECTION.

1           ~~4.~~ (d) At least forty but less than fifty years before the date the  
2 tax is due is twenty per cent of the rate provided in ~~subsection A~~ PARAGRAPH  
3 1 of this ~~section~~ SUBSECTION.

4           ~~5.~~ (e) Fifty or more years before the date the tax is due is zero.

5           ~~6.~~ 3. If no certificate of occupancy can be located, dated aerial  
6 photographs or other evidence of substantial completion may be used to  
7 determine the age of the building for purposes of ~~subsection B~~ PARAGRAPH 2 of  
8 this ~~section~~ SUBSECTION.

9           B. EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, IF THE CURRENT LEASE  
10 OF THE GOVERNMENT PROPERTY IMPROVEMENT, BETWEEN THE CURRENT PRIME LESSEE AND  
11 THE CURRENT GOVERNMENT LESSOR, WAS ENTERED INTO FROM AND AFTER SEPTEMBER 30,  
12 2009:

13           1. THE TAX AUTHORIZED BY THIS ARTICLE SHALL BE LEVIED AND COLLECTED AT  
14 THE FOLLOWING BASE RATES WHICH APPLY THROUGH DECEMBER 31, 2010, SUBJECT TO  
15 ANNUAL ADJUSTMENT PURSUANT TO PARAGRAPH 2 OF THIS SUBSECTION:

16           (a) THREE DOLLARS FIFTY CENTS PER SQUARE FOOT OF GROSS BUILDING SPACE  
17 FOR OFFICE BUILDINGS WITH ONE FLOOR ABOVE GROUND.

18           (b) FOUR DOLLARS PER SQUARE FOOT OF GROSS BUILDING SPACE FOR OFFICE  
19 BUILDINGS WITH MORE THAN ONE BUT FEWER THAN EIGHT FLOORS ABOVE GROUND.

20           (c) FOUR DOLLARS TWENTY-FIVE CENTS PER SQUARE FOOT OF GROSS BUILDING  
21 SPACE FOR OFFICE BUILDINGS WITH EIGHT FLOORS OR MORE ABOVE GROUND.

22           (d) THREE DOLLARS FIFTY CENTS PER SQUARE FOOT OF RETAIL BUILDING  
23 SPACE, INCLUDING SPACE THAT IS DEVOTED TO THE SALE OF TANGIBLE PERSONAL  
24 PROPERTY, RESTAURANTS, HEALTH CLUBS, HAIR SALONS, DRY CLEANERS, TRAVEL  
25 AGENCIES AND OTHER RETAIL SERVICES.

26           (e) TWO DOLLARS FIFTY CENTS PER SQUARE FOOT OF HOTEL OR MOTEL BUILDING  
27 SPACE.

28           (f) ONE DOLLAR SEVENTY-FIVE CENTS PER SQUARE FOOT OF WAREHOUSE OR  
29 INDUSTRIAL BUILDING SPACE.

30           (g) SEVENTY-FIVE CENTS PER SQUARE FOOT OF RESIDENTIAL RENTAL BUILDING  
31 SPACE.

32           (h) TWO DOLLARS FIFTY CENTS PER SQUARE FOOT OF A PARKING GARAGE OR  
33 DECK.

1           (i) THREE DOLLARS FIFTY CENTS PER SQUARE FOOT OF ALL OTHER GOVERNMENT  
2       PROPERTY IMPROVEMENTS NOT INCLUDED IN SUBDIVISIONS (a) THROUGH (h) OF THIS  
3       PARAGRAPH.

4           2. BEGINNING ON OR BEFORE DECEMBER 1, 2010 AND EACH YEAR THEREAFTER,  
5       FOR ALL GOVERNMENT PROPERTY LEASES THAT ARE SUBJECT TO THIS SUBSECTION THE  
6       JOINT LEGISLATIVE BUDGET COMMITTEE SHALL ADJUST THE TAX RATES THAT APPLY FOR  
7       THE PURPOSES OF THIS SUBSECTION IN THE FOLLOWING CALENDAR YEAR FOR EACH  
8       PROPERTY USE ACCORDING TO THE AVERAGE ANNUAL POSITIVE OR NEGATIVE PERCENTAGE  
9       CHANGE FOR THE MOST RECENT FISCAL YEAR IN THE PRODUCER PRICE INDEX FOR NEW  
10      CONSTRUCTION OR ITS SUCCESSOR INDEX PUBLISHED BY THE UNITED STATES BUREAU OF  
11      LABOR STATISTICS. ON OR BEFORE DECEMBER 15 OF EACH YEAR, THE DEPARTMENT  
12      SHALL POST THE ADJUSTED RATES FOR THE FOLLOWING CALENDAR YEAR ON ITS OFFICIAL  
13      WEBSITE AND TRANSMIT THE ADJUSTED RATES TO EACH COUNTY TREASURER. THE  
14      LEGISLATURE MAY ADJUST THE BASE RATES PRESCRIBED BY PARAGRAPH 1 OF THIS  
15      SUBSECTION AT ANY TIME.

16           ~~D.~~ C. The tax rate for a government property improvement that was  
17      constructed pursuant to a lease or development agreement entered into from  
18      and after June 30, 1996 AND BEFORE OCTOBER 1, 2009 and that is located  
19      outside a slum or blighted area established pursuant to title 36, chapter 12,  
20      article 3 is one and one-half times the rate established by subsections A and  
21      B of this section.

22           ~~E.~~ D. Within the first twenty years after the issuance of the  
23      original certificate of occupancy, the tax rate on the use or occupancy of a  
24      government property improvement is twenty per cent of the rate established in  
25      subsection A and B of this section for any of the following:

26           1. Government property improvements that are subject to leases or  
27      agreements that were entered into before April 1, 1985, and options and  
28      rights contained in the leases or agreements.

29           2. Government property improvements that are subject to leases entered  
30      into based on a redevelopment contract, as defined in section 36-1471,  
31      entered into before April 1, 1985.

32           3. Government property improvements that are subject to leases entered  
33      into based on an agreement for a redevelopment project for which federal

1 grant monies have been received and that was entered into before April 1,  
2 1985.

3 4. Government property improvements that are located at an airport  
4 that was owned on or before January 1, 1988 by a county having a population  
5 of four hundred thousand persons or less or by a city or town that is located  
6 in a county having a population of four hundred thousand persons or less if  
7 the property is used primarily for manufacturing, retail, distribution,  
8 research or commercial purposes. In this paragraph, "commercial" includes  
9 facilities for office, recreational, hotel, motel and service uses.

10 ~~F.~~ E. Within the first ten years after the issuance of ~~the~~ A  
11 certificate of occupancy BEFORE OCTOBER 1, 2009, the tax rate on the use or  
12 occupancy of a government property improvement that is located in a slum or  
13 blighted area established pursuant to title 36, chapter 12, article 3,  
14 resulted or will result in an increase in property value of at least one  
15 hundred per cent and is not eligible for abatement pursuant to section  
16 42-6209 is eighty per cent of the rate established in subsections A and B of  
17 this section.

18 ~~G.~~ F. The tax rate to be applied under subsection A of this section  
19 shall be determined by the predominant use to which the government property  
20 improvement is devoted, except that in all cases the tax rate prescribed by  
21 subsection A, paragraph 8 of this section shall be applied to any parking  
22 garage or deck. If there is no single predominant use, the tax shall be  
23 determined by applying the appropriate tax rate to the building space devoted  
24 to each use identified in that subsection. THE TAX RATE TO BE APPLIED UNDER  
25 SUBSECTION B OF THIS SECTION SHALL BE APPORTIONED ACCORDING TO THE SPECIFIC  
26 USES TO WHICH THE GOVERNMENT PROPERTY IMPROVEMENT IS DEVOTED. For the  
27 purposes of this subsection, the functional area of a government property  
28 improvement does not include subsidiary, auxiliary or servient areas such as  
29 lobbies, stairwells, mechanical rooms and meeting and banquet rooms. ~~For~~  
30 ~~purposes of this subsection, "predominant use" means the use to which~~  
31 ~~eighty-five per cent or more of the functional area of a government property~~  
32 ~~improvement is devoted.~~

~~H.~~ G. Prime lessees of government property improvements who become taxable or whose taxable status terminates during the calendar year in which the taxes are due, including prime lessees subject to exemption or abatement under sections 42-6208 and 42-6209, shall pay tax for that calendar year on a pro rata basis."

Page 5, line 9, after "payable" insert "WITH THE RETURN FORM UNDER SUBSECTION B OF THIS SECTION TO THE COUNTY TREASURER"

Line 21, after "space" strike remainder of line

Line 22, strike "deck spaces" insert "FOR EACH IMPROVEMENT, THE BUILDING SPACE FOR EACH SEPARATE USE WITHIN THE IMPROVEMENT AND THE APPLICABLE RATE OR RATES TO BE APPLIED TO EACH USE"

Page 6, line 2, after "TO" insert "THE JOINT LEGISLATIVE BUDGET COMMITTEE AND"

Strike lines 38 through 44

Page 7, strike lines 1 through 37, insert:

"Sec. 6. Section 42-6206, Arizona Revised Statutes, is amended to read:

~~42-6206.~~ Development agreements; acknowledgment of tax liability; approval requirements; default

Each lease or development agreement between a prime lessee and a government lessor entered into after:

1. June 30, 1996 shall include:

~~1.~~ (a) A notice of the tax liability under this article.

~~2.~~ (b) A provision that failure by the prime lessee to pay the tax after notice and an opportunity to cure is an event of default that could result in divesting the prime lessee of any interest in or right of occupancy of the government property improvement.

2. SEPTEMBER 30, 2009:

(a) SHALL NOT BE APPROVED UNLESS THE GOVERNMENT LESSOR:

(i) NOTIFIES THE GOVERNING BODIES OF THE COUNTY AND ANY CITY, TOWN AND SCHOOL DISTRICT IN WHICH THE GOVERNMENT PROPERTY IMPROVEMENT IS LOCATED AT LEAST SIXTY DAYS BEFORE THE APPROVAL. THE NOTICE MUST INCLUDE THE NAME AND ADDRESS OF THE INTENDED PRIME LESSEE, THE LOCATION AND PROPOSED USE OF THE

1 GOVERNMENT PROPERTY IMPROVEMENT AND THE PROPOSED TERM OF THE LEASE OR  
2 DEVELOPMENT AGREEMENT.

3 (ii) DETERMINES THAT, WITHIN THE TERM OF THE LEASE OR DEVELOPMENT  
4 AGREEMENT, THE ECONOMIC AND FISCAL BENEFIT TO THIS STATE AND THE COUNTY, CITY  
5 OR TOWN IN WHICH THE GOVERNMENT PROPERTY IMPROVEMENT IS LOCATED WILL EXCEED  
6 THE BENEFITS RECEIVED BY THE PRIME LESSEE AS A RESULT OF THE DEVELOPMENT  
7 AGREEMENT OR LEASE ON THE BASIS OF AN ESTIMATE OF THOSE BENEFITS PREPARED BY  
8 AN INDEPENDENT THIRD PARTY IN A MANNER AND METHOD ACCEPTABLE TO THE GOVERNING  
9 BODY OF THE GOVERNMENT LESSOR. THE ESTIMATE MUST INCLUDE THE TOTAL AD  
10 VALOREM PROPERTY TAX REVENUES THAT WOULD BE PRODUCED BY THE PROPERTY TO THE  
11 COUNTY, CITY OR TOWN AND SCHOOL DISTRICT IF THE PROPERTY WERE TAXABLE. THE  
12 ESTIMATE MUST BE PROVIDED TO THE GOVERNMENT LESSOR AND THE GOVERNING BODIES  
13 OF THE COUNTY AND ANY CITY, TOWN AND SCHOOL DISTRICT IN WHICH THE GOVERNMENT  
14 PROPERTY IMPROVEMENT IS LOCATED AT LEAST THIRTY DAYS BEFORE THE VOTE OF THE  
15 GOVERNING BODY.

16 (b) MUST BE APPROVED BY A SIMPLE MAJORITY VOTE OF THE GOVERNING BODY  
17 WITHOUT THE USE OF A CONSENT CALENDAR."

18 Page 7, line 41, strike "shall" insert "MAY"

19 Line 43, after "ending" insert "WITHIN"

20 Line 44, after "improvement" strike remainder of line

21 Page 8, line 1, strike "is constructed either before or after July 20, 1996 and"

22 Strike lines 4 through 6, insert "THE CITY OR TOWN AND IS SUBJECT TO A LEASE OR  
23 DEVELOPMENT AGREEMENT ENTERED INTO ON OR AFTER APRIL 1, 1985. FOR THE  
24 PURPOSES OF THIS SECTION:

25 (a) A CITY OR TOWN SHALL NOT DESIGNATE MORE THAN ONE CENTRAL BUSINESS  
26 DISTRICT WITHIN ITS CORPORATE BOUNDARIES.

27 (b) A CITY OR TOWN SHALL NOT APPROVE OR ENTER INTO A DEVELOPMENT  
28 AGREEMENT OR LEASE FOR A GOVERNMENT PROPERTY IMPROVEMENT WITHIN ONE YEAR  
29 AFTER THE DESIGNATION OF THE CENTRAL BUSINESS DISTRICT IN WHICH THE  
30 IMPROVEMENT IS LOCATED.

31 (c) "CENTRAL BUSINESS DISTRICT" MEANS A GEOGRAPHICAL AREA DESIGNATED  
32 BY RESOLUTION OF THE GOVERNING BODY OF THE CITY OR TOWN AND MEETING THE  
33 FOLLOWING REQUIREMENTS:

(i) THE CENTRAL BUSINESS DISTRICT IS LOCATED ENTIRELY WITHIN A SLUM OR BLIGHTED AREA THAT IS ESTABLISHED PURSUANT TO TITLE 36, CHAPTER 12, ARTICLE 3.

(ii) THE CENTRAL BUSINESS DISTRICT IS GEOGRAPHICALLY COMPACT AND NO LARGER THAN THE LESSER OF \_\_\_\_ PER CENT OF THE TOTAL LAND AREA WITHIN THE EXTERIOR BOUNDARIES OF THE CITY OR TOWN OR TWO THOUSAND ACRES."

Page 8, strike lines 14 through 22, insert:

"C. A GOVERNMENT LESSOR SHALL NOT ABATE THE TAX FOR MORE THAN ONE EIGHT-YEAR TERM ON ALL OR PART OF THE SAME GOVERNMENT PROPERTY IMPROVEMENT.

D. IF A PRIME LESSEE TRANSFERS OR CONVEYS THE LEASE TO ANOTHER PRIME LESSEE, OR CHANGES THE USE OF THE GOVERNMENT PROPERTY IMPROVEMENT PURSUANT TO SECTION 42-6211, WHILE TAX IS ABATED UNDER THIS SECTION, THE TAX ABATEMENT CONTINUES ONLY FOR THE ORIGINAL ABATEMENT PERIOD ESTABLISHED PURSUANT TO SUBSECTION A OF THIS SECTION."

Renumber to conform

Strike lines 35 and 36, insert:

Sec. 9. Title 42, chapter 6, article 5, Arizona Revised Statutes, is amended by adding section 42-6211, to read:

42-6211. Lease requirements: term: change of use: mandatory conveyance of government property improvement to prime lessee

FOR DEVELOPMENT AGREEMENTS AND LEASES THAT ARE SUBJECT TO TAXATION UNDER THIS ARTICLE AND THAT ARE ENTERED INTO FROM AND AFTER SEPTEMBER 30, 2009:

1. THE TERM OF THE LEASE OR AGREEMENT SHALL NOT EXCEED \_\_\_\_\_ MONTHS FROM THE BEGINNING DATE, REGARDLESS OF WHETHER THE LEASE IS TRANSFERRED OR CONVEYED TO SUBSEQUENT PRIME LESSEES DURING THAT PERIOD.

2. THE GOVERNMENT LESSOR SHALL NOT APPROVE A CHANGE IN THE USE OF THE GOVERNMENT PROPERTY IMPROVEMENT UNLESS THE GOVERNMENT LESSOR:

(a) NOTIFIES THE GOVERNING BODIES OF THE COUNTY AND ANY CITY, TOWN AND SCHOOL DISTRICT IN WHICH THE GOVERNMENT PROPERTY IMPROVEMENT IS LOCATED AT LEAST THIRTY DAYS BEFORE THE APPROVAL. THE NOTICE MUST INCLUDE THE NAME AND ADDRESS OF THE PRIME LESSEE, THE LOCATION AND PROPOSED USE OF THE GOVERNMENT



1 PROPERTY IMPROVEMENT AND THE REMAINING TERM OF THE LEASE OR DEVELOPMENT  
2 AGREEMENT.

3 (b) DETERMINES THAT, WITHIN THE REMAINING TERM OF THE LEASE OR  
4 DEVELOPMENT AGREEMENT, THE ECONOMIC AND FISCAL BENEFIT TO THIS STATE AND THE  
5 COUNTY, CITY OR TOWN AND SCHOOL DISTRICT IN WHICH THE GOVERNMENT PROPERTY  
6 IMPROVEMENT IS LOCATED WILL EXCEED THE BENEFITS RECEIVED BY THE PRIME LESSEE  
7 AS A RESULT OF THE CHANGE IN THE DEVELOPMENT AGREEMENT OR LEASE ON THE BASIS  
8 OF AN ESTIMATE OF THOSE BENEFITS PREPARED BY AN INDEPENDENT THIRD PARTY IN A  
9 MANNER AND METHOD ACCEPTABLE TO THE GOVERNING BODY OF THE GOVERNMENT  
10 LESSOR. THE ESTIMATE MUST INCLUDE THE TOTAL AD VALOREM PROPERTY TAX REVENUES  
11 THAT WOULD BE PRODUCED BY THE PROPERTY TO THE COUNTY, CITY OR TOWN AND SCHOOL  
12 DISTRICT IF THE PROPERTY WERE TAXABLE. THE ESTIMATE MUST BE PROVIDED TO THE  
13 GOVERNMENT LESSOR AND THE GOVERNING BODIES OF THE COUNTY AND ANY CITY, TOWN  
14 AND SCHOOL DISTRICT IN WHICH THE GOVERNMENT PROPERTY IMPROVEMENT IS LOCATED  
15 AT LEAST THIRTY DAYS BEFORE THE VOTE OF THE GOVERNING BODY.

16 (c) APPROVES THE CHANGE BY A SIMPLE MAJORITY VOTE OF THE GOVERNING  
17 BODY WITHOUT THE USE OF A CONSENT CALENDAR.

18 3. ON THE TERMINATION DATE OF THE LEASE THE GOVERNMENT LESSOR MUST  
19 CONVEY TITLE TO THE GOVERNMENT PROPERTY IMPROVEMENT TO THE CURRENT PRIME  
20 LESSEE. THIS PARAGRAPH DOES NOT APPLY IF:

21 (a) THE TAX WITH RESPECT TO THE IMPROVEMENT WAS NOT ABATED UNDER  
22 SECTION 42-6209.

23 (b) THE GOVERNMENT LESSOR IS ACTING AS A COMMERCIAL LANDLORD WITHOUT A  
24 DEVELOPMENT AGREEMENT IN A LEASE OF THE IMPROVEMENT FOR A USE THAT IS  
25 ANCILLARY TO A GOVERNMENT PROPERTY IMPROVEMENT USED FOR A PUBLIC PURPOSE.

26 Sec. 10. Existing government property leases; recording and  
27 compiling data; definitions

28 A. By December 31, 2009, each government lessor shall for each lease  
29 of a government property improvement in effect on the effective date of this  
30 act:

31 1. Record a memorandum of lease in the office of the county recorder  
32 in the county in which the government property improvement is located. The  
33 memorandum of lease must include the basic lease terms, including the names

1 of the parties, the leased property, the lease term, including the beginning  
2 and ending dates, the types and usage of the structures included in the  
3 improvement, the total gross building space of the improvements, the  
4 applicable tax rates prescribed by section 42-6203, subsection A, Arizona  
5 Revised Statutes, as amended by this act, the estimated annual tax payments  
6 the lessee is required to pay over the term of the lease and any options to  
7 renew the lease or to purchase any of the government property improvement or  
8 government owned land.

9 2. Submit copies of the lease or memorandum of lease to the treasurer  
10 of the county in which the government property improvement is located and to  
11 the department of revenue.

12 B. For the purposes of this section, "government lessor", "government  
13 property improvement" and "gross building space" have the same meanings  
14 prescribed by section 42-6201, Arizona Revised Statutes, as amended by this  
15 act.

16 Sec. 11. Review of government property lease excise tax rates

17 A. By December 15, 2014, the joint legislative budget committee shall  
18 conduct an analysis to determine the effectiveness of the government property  
19 lease excise tax rates prescribed by section 42-6203, Arizona Revised  
20 Statutes, as amended by this act. The analysis shall include consideration  
21 of:

22 1. The total ad valorem property tax revenues that would be produced  
23 by the properties to counties, cities and towns, community college districts  
24 and school districts if the properties were taxable.

25 2. The actual total annual amount of government property lease excise  
26 taxes collected and the amounts distributed to counties, cities and towns,  
27 community college districts and school districts.

28 3. Determine the average aggregate ad valorem property tax levy per  
29 square foot for the various property types listed in section 42-6203, Arizona  
30 Revised Statutes, as amended by this act, and compare that levy with the levy  
31 rates prescribed by section 42-6203, subsection B, Arizona Revised Statutes,  
32 as amended by this act.

1           B. The department of revenue shall cooperate with the joint  
2 legislative budget committee for the purposes of this section and, by October  
3 1, 2014, provide the joint legislative budget committee with the public  
4 database of all government property leases maintained pursuant to section  
5 42-6202, Arizona Revised Statutes, as amended by this act.

6           C. The joint legislative budget committee shall submit copies of its  
7 analysis pursuant to this section to:

8           1. The governor, the president of the senate and the speaker of the  
9 house of representatives.

10           2. The chairpersons of the house of representatives ways and means  
11 committee and the senate finance committee.

12           3. The Arizona state library, archives and public records.

13           4. Any other person who requests a copy of the analysis."

14 Amend title to conform

KEN CHEUVRONT

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C: dmt