



**ARIZONA STATE SENATE**  
*Fifty-First Legislature, Second Regular Session*

FACT SHEET FOR S.B. 1255

county transportation excise tax

Purpose

Permits an intergovernmental public transportation authority (IPTA) to levy a transportation excise tax.

Background

Current statute authorizes a county with a population between 400,000 and 1.2 million persons to establish a regional transportation authority (RTA). An RTA is a public improvement and taxing subdivision of the state and a municipal corporation. The membership of the RTA includes the county, each municipality in the county and any other members of the regional council of governments (A.R.S. Title 48, Chapter 30).

Voters in Arizona counties may choose to authorize the levy of excise taxes for transportation purposes. The tax may not exceed a rate greater than ten percent of the state Transaction Privilege Tax rate (currently set at five percent, with an extra .06 percent dedicated toward education). Counties with populations of 400,000 or fewer persons may levy a countywide transportation excise tax for roads which are deposited into the county's public transportation authority fund, the regional transportation fund or both. Counties with populations between 400,000 and 1.2 million persons may levy a countywide transportation excise tax which is deposited into the regional transportation fund.

For a county with a population of 200,000 or less, current statute allows the board of supervisors to establish an IPTA. The governing body of one or more incorporated cities or towns may petition the county board of supervisors to establish an authority consisting of the area within the incorporated boundary of the municipality or municipalities. An IPTA is responsible for the operation and maintenance of its geographic service area's public transportation system (A.R.S. §§ 28-9103 and 28-9124). Monies for an IPTA are derived from 1) monies appropriated or paid to the authority from municipalities, member universities and the county; 2) monies received by the authority from the federal government or this state; 3) grants, gifts and other donations from any source; 4) revenues collected by the authority as fares and other proceeds from operating the public transportation system and 5) monies received from the county transportation excise tax.

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Allows an IPTA to levy a transportation excise tax if approved by the qualified electors voting in a countywide election.
2. Directs the monies collected from a transportation excise tax levied by an IPTA to be deposited into that county's public transportation authority fund.
3. Makes technical changes.
4. Becomes effective on the general effective date.

Prepared by Senate Research

February 14, 2014

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