

COMMITTEE ON FINANCE  
SENATE AMENDMENTS TO S.B. 1144  
(Reference to printed bill)

1 Page 1, strike lines 6 through 10  
2 Reletter to conform  
3 Line 16, strike "ALLOWED TO EXPIRE AS PRESCRIBED BY LAW" insert "REPEALED"  
4 Strike lines 27 through 43  
5 Strike pages 2 through 72, insert:  
6       "Sec. 2. Section 43-221, Arizona Revised Statutes, is amended to  
7 read:  
8           43-221. Joint legislative tax expenditure review committee;  
9           committee termination; definition  
10          A. The joint legislative ~~income~~ tax ~~credit~~ EXPENDITURE review  
11 committee is established consisting of the following members:  
12        1. Five members of the house of representatives ways and means  
13 committee ~~WHO ARE~~ appointed by the speaker of the house of representatives.  
14 Not more than three appointees shall be of the same political party.  
15        2. Five members of the senate finance committee ~~WHO ARE~~ appointed by  
16 the president of the senate. Not more than three appointees shall be of  
17 the same political party.  
18        B. The committee shall determine the original purpose of existing  
19 tax ~~credits~~ EXPENDITURES UNDER TITLE 42, CHAPTER 5 AND CHAPTERS 10 AND 11  
20 OF THIS TITLE and establish a standard for evaluating and measuring the  
21 success or failure of the tax ~~credits~~ EXPENDITURES. The standard for  
22 evaluating tax ~~credits~~ EXPENDITURES may include:  
23        1. The history, rationale and estimated revenue impact of the ~~credit~~  
24 EXPENDITURE.  
25        2. Whether the ~~credit~~ EXPENDITURE has provided a benefit to this  
26 state including, for corporate tax credits, measurable economic  
27 development, new investments, creation of new jobs or retention of existing  
28 jobs in this state.  
29        3. Whether the ~~credit~~ EXPENDITURE is unnecessarily complex in the  
30 application, administration and approval process.

1           C. The committee shall review the individual and corporate income  
2 tax credits pursuant to the schedule prescribed in section 43-222.

3           D. The committee shall use the joint legislative budget committee  
4 staff and may use the staff of the department of revenue and legislative  
5 council for assistance.

6           D. After completing the review process, the committee shall  
7 determine whether the ~~credit~~ TAX EXPENDITURE should be amended, repealed or  
8 retained. If the ~~credit~~ TAX EXPENDITURE is recommended to be retained or  
9 amended, the committee shall recommend A NEW REVIEW DATE AND, FOR INCOME  
10 TAX CREDITS, that the credit be returned to the income tax credit review  
11 schedule prescribed in section 43-222. The next review year FOR INCOME TAX  
12 CREDITS shall be the fifth full calendar year following the date the credit  
13 was reviewed. The committee shall report its findings and recommendations  
14 to the president of the senate, the speaker of the house of representatives  
15 and the governor by December 15 of ~~the~~ EACH REVIEW year ~~that the committee~~  
16 ~~reviews the credit~~. The committee shall provide a copy of the report to  
17 the ~~director of the Arizona state library, archives and public records~~  
18 SECRETARY OF STATE.

19           E. The committee established by this section ends on July 1, 2022  
20 pursuant to section 41-3103.

21           F. FOR THE PURPOSES OF THIS SECTION, "TAX EXPENDITURE" MEANS ANY  
22 PROVISION IN TITLE 42, CHAPTER 5 OR CHAPTER 10 OR 11 OF THIS TITLE THAT  
23 EXEMPTS, IN WHOLE OR IN PART, ANY PERSON, INCOME, GOODS, SERVICES OR  
24 PROPERTY FROM THE IMPACT OF ESTABLISHED TAXES AND TAX CLASSIFICATIONS,  
25 INCLUDING DEDUCTIONS, SUBTRACTIONS, EXCLUSIONS, EXEMPTIONS, ALLOWANCES AND  
26 CREDITS."

27 Amend title to conform

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01/31/2017  
10:42 AM  
C: dmt