



Bill Number: S.B. 1546

Fann Floor Amendment

Reference to: printed bill

Amendment drafted by: Leg Council

FLOOR AMENDMENT EXPLANATION

1. Allows a city or town to continue to levy an existing transaction privilege tax (TPT) that was levied on or before May 1, 2019, from the sales of certain propagative materials, implants used as growth promotants and injectable medicines, and neat animals, horses, asses, sheep, ratices, swine or goats used as breeding or production stock. A city or town may not continue to levy a TPT on these items:
 - a) for a city or town with a population of 50,000 persons or less, from and after June 30, 2021; and
 - b) for a city or town with a population of more than 50,000 persons, from and after December 31, 2019.
2. Allows a city or town to continue to levy TPT that was levied on or before May 1, 2019, on livestock and poultry feed, salts, vitamins and other additives for livestock or poultry consumption.
3. Allows a city or town to levy TPT on the gross proceeds of sales or gross income derived from the sale of a motor vehicle to:
 - a) a nonresident if the purchaser's state of residence does not allow a corresponding use tax exemption and if the nonresident has secured a special 90-day permit; and
 - b) an enrolled member of an Indian tribe who resides on the Indian reservation established for that tribe, except if possession of the vehicle is received on the enrolled member's Indian reservation.
4. Allows a taxpayer and the taxpayer's spouse who does not file a return, in addition to dependents, to claim the dependent tax credit and the credit for increased TPT or excise tax paid for education.
5. Allows a part-year dependent tax credit in the percentage that the taxpayer's Arizona gross income is of the federal adjusted gross income.
6. Defines terms.

Amendment explanation prepared by Carolyn Speroni

05/24/2019

FANN FLOOR AMENDMENT
SENATE AMENDMENTS TO S.B. 1546
(Reference to printed bill)

1 Page 68, strike lines 16 through 25, insert:

2 "3. NOTWITHSTANDING SECTION 42-5061, SUBSECTION A, PARAGRAPH 33,
3 PARAGRAPH 42, SUBDIVISION (b) AND PARAGRAPH 43 AND SUBSECTION B, PARAGRAPH
4 5, CONTINUE TO LEVY AN EXISTING TRANSACTION PRIVILEGE TAX THAT WAS LEVIED
5 ON OR BEFORE MAY 1, 2019 ON THE GROSS PROCEEDS OF SALES OR GROSS INCOME
6 DERIVED FROM THE SALES OF:

7 (a) PROPAGATIVE MATERIALS TO PERSONS WHO USE THOSE ITEMS TO
8 COMMERCIALY PRODUCE AGRICULTURAL, HORTICULTURAL, VITICULTURAL OR
9 FLORICULTURAL CROPS IN THIS STATE. THIS SUBDIVISION DOES NOT APPLY AND A
10 CITY OR TOWN MAY NOT CONTINUE TO LEVY A TRANSACTION PRIVILEGE TAX PURSUANT
11 TO THIS SUBDIVISION AS FOLLOWS:

12 (i) FOR A CITY OR TOWN WITH A POPULATION OF FIFTY THOUSAND PERSONS
13 OR LESS, FROM AND AFTER JUNE 30, 2021.

14 (ii) FOR A CITY OR TOWN WITH A POPULATION OF MORE THAN FIFTY
15 THOUSAND PERSONS, FROM AND AFTER DECEMBER 31, 2019.

16 (b) LIVESTOCK AND POULTRY FEED, SALTS, VITAMINS AND OTHER ADDITIVES
17 FOR LIVESTOCK OR POULTRY CONSUMPTION THAT ARE SOLD TO PERSONS FOR USE OR
18 CONSUMPTION BY THEIR OWN LIVESTOCK OR POULTRY, FOR USE OR CONSUMPTION IN
19 THE BUSINESSES OF FARMING, RANCHING AND PRODUCING OR FEEDING LIVESTOCK,
20 POULTRY, OR LIVESTOCK OR POULTRY PRODUCTS OR FOR USE OR CONSUMPTION IN
21 NONCOMMERCIAL BOARDING OF LIVESTOCK.

22 (c) IMPLANTS USED AS GROWTH PROMOTANTS AND INJECTABLE MEDICINES, NOT
23 ALREADY EXEMPT UNDER SECTION 42-5061, SUBSECTION A, PARAGRAPH 8, FOR
24 LIVESTOCK OR POULTRY OWNED BY OR IN POSSESSION OF PERSONS WHO ARE ENGAGED
25 IN PRODUCING LIVESTOCK, POULTRY, OR LIVESTOCK OR POULTRY PRODUCTS OR WHO
26 ARE ENGAGED IN FEEDING LIVESTOCK OR POULTRY COMMERCIALY. THIS SUBDIVISION

1 DOES NOT APPLY AND A CITY OR TOWN MAY NOT CONTINUE TO LEVY A TRANSACTION
2 PRIVILEGE TAX PURSUANT TO THIS SUBDIVISION AS FOLLOWS:

3 (i) FOR A CITY OR TOWN WITH A POPULATION OF FIFTY THOUSAND PERSONS
4 OR LESS, FROM AND AFTER JUNE 30, 2021.

5 (ii) FOR A CITY OR TOWN WITH A POPULATION OF MORE THAN FIFTY
6 THOUSAND PERSONS, FROM AND AFTER DECEMBER 31, 2019.

7 (d) NEAT ANIMALS, HORSES, ASSES, SHEEP, RATITES, SWINE OR GOATS USED
8 OR TO BE USED AS BREEDING OR PRODUCTION STOCK, INCLUDING SALES OF BREEDINGS
9 OR OWNERSHIP SHARES IN SUCH ANIMALS USED FOR BREEDING OR PRODUCTION. THIS
10 SUBDIVISION DOES NOT APPLY AND A CITY OR TOWN MAY NOT CONTINUE TO LEVY A
11 TRANSACTION PRIVILEGE TAX PURSUANT TO THIS SUBDIVISION AS FOLLOWS:

12 (i) FOR A CITY OR TOWN WITH A POPULATION OF FIFTY THOUSAND PERSONS
13 OR LESS, FROM AND AFTER JUNE 30, 2021.

14 (ii) FOR A CITY OR TOWN WITH A POPULATION OF MORE THAN FIFTY
15 THOUSAND PERSONS, FROM AND AFTER DECEMBER 31, 2019."

16 Page 68, between lines 34 and 35, insert:

17 "6. NOTWITHSTANDING SECTION 42-5061, SUBSECTION A, PARAGRAPH 28,
18 LEVY A TRANSACTION PRIVILEGE TAX ON THE GROSS PROCEEDS OF SALES OR GROSS
19 INCOME DERIVED FROM THE SALE OF A MOTOR VEHICLE TO:

20 (a) A NONRESIDENT OF THIS STATE IF THE PURCHASER'S STATE OF
21 RESIDENCE DOES NOT ALLOW A CORRESPONDING USE TAX EXEMPTION TO THE TAX
22 IMPOSED BY CHAPTER 5, ARTICLE 1 OF THIS TITLE AND IF THE NONRESIDENT HAS
23 SECURED A SPECIAL NINETY DAY NONRESIDENT REGISTRATION PERMIT FOR THE
24 VEHICLE AS PRESCRIBED BY SECTIONS 28-2154 AND 28-2154.01. THIS SUBDIVISION
25 DOES NOT APPLY IF THE PURCHASER TAKES POSSESSION OF THE VEHICLE OUTSIDE OF
26 THIS STATE.

27 (b) AN ENROLLED MEMBER OF AN INDIAN TRIBE WHO RESIDES ON THE INDIAN
28 RESERVATION ESTABLISHED FOR THAT TRIBE, EXCEPT IF POSSESSION OF THE VEHICLE
29 IS RECEIVED ON THE ENROLLED MEMBER'S INDIAN RESERVATION."

30 Renumber to conform

1 Page 69, between lines 5 and 6, insert:

2 "3. "POULTRY" INCLUDES RATITES.

3 4. "PROPAGATIVE MATERIALS":

4 (a) INCLUDES SEEDS, SEEDLINGS, ROOTS, BULBS, LINERS, TRANSPLANTS,
5 CUTTINGS, SOIL AND PLANT ADDITIVES, AGRICULTURAL MINERALS, AUXILIARY SOIL
6 AND PLANT SUBSTANCES, MICRONUTRIENTS, FERTILIZERS, INSECTICIDES,
7 HERBICIDES, FUNGICIDES, SOIL FUMIGANTS, DESICCANTS, RODENTICIDES,
8 ADJUVANTS, PLANT NUTRIENTS AND PLANT GROWTH REGULATORS.

9 (b) EXCEPT FOR USE IN COMMERCIALY PRODUCING INDUSTRIAL HEMP AS
10 DEFINED IN SECTION 3-311, DOES NOT INCLUDE ANY PROPAGATIVE MATERIALS USED
11 IN PRODUCING ANY PART, INCLUDING SEEDS, OF ANY PLANT OF THE GENUS
12 CANNABIS."

13 Renumber to conform

14 Page 73, line 33, strike "43-1089.01" insert "43-1073.01"

15 Page 91, line 7, after "IS" insert "EITHER THE TAXPAYER, THE TAXPAYER'S SPOUSE
16 WHO DOES NOT FILE A RETURN OR"

17 Page 92, line 21, after "IS" insert "EITHER THE TAXPAYER, THE TAXPAYER'S SPOUSE
18 WHO DOES NOT FILE A RETURN OR"

19 Page 93, between lines 12 and 13, insert:

20 "D. IN THE CASE OF A NONRESIDENT OR PART-YEAR RESIDENT TAXPAYER, THE
21 CREDIT ALLOWED UNDER THIS SECTION IS ALLOWED IN THE PERCENTAGE THAT THE
22 TAXPAYER'S ARIZONA GROSS INCOME IS OF THE FEDERAL ADJUSTED GROSS INCOME."

23 Amend title to conform

KAREN FANN

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05/24/2019
10:23 AM
C: ED