



Today's Updates

Arizona Senate to Weigh Legislation to Cut Taxes Amid \$4.6 Billion Deficit

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PHOENIX—The Arizona Senate plans to take up legislation (H.B. 2250) that would provide a range of tax cuts and incentives, legislative aides said Feb. 9.

Supporters of the measure say it is necessary to provide the stimulus to bolster the state's sagging economy. Opponents, meanwhile, say it comes at a time when the state must plug a deficit pegged at \$4.6 billion for fiscal years 2010 and 2011, and can least afford further revenue losses.

House Speaker Kirk Adams (R) is sponsor of the measure, which the House approved, 34-25, on Jan. 28.

According to a bill summary prepared by legislative staff, the measure would: cut the corporate income tax rate from 6.97 percent to 4.5 percent over four years, beginning in 2011; cut the business property tax assessment ratio from 20 percent to 15 percent in 1 percent increments over five years, beginning in 2012; phase out the state equalization property tax rate by 25 percent each year over four years, beginning in 2011, and eliminate it by July 2014; cut individual income tax rates by 10 percent over four years, beginning in 2011; and double the amount of time a business can pay reduced property taxes in a designated enterprise zone from five to 10 years. [emphasis added.]

Additional information on House Bill 2250 is available at http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=2250&image.x=0&image.y=0.

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