

Joint Legislative Income Tax Credit Review Committee

PURPOSE: To: (1) determine the original purpose of existing tax credits; (2) establish a standard for evaluating and measuring the success or failure of the tax credits, which may include (a) the history, rationale and estimated revenue impact of the credit, (b) whether the credit has provided a benefit to this State including, for corporate tax credits, measurable economic development, new investments, creation of new jobs or retention of existing jobs in this State, and (c) whether the credit is unnecessarily complex in the application, administration and approval process; (3) review the individual and corporate income tax credits pursuant to the schedule prescribed in A.R.S. 43-222; and (4) after completing the review process, determine whether the credit should be amended, repealed or retained. The Committee shall submit a report of its findings and recommendations to the President of the Senate, the Speaker of the House of Representatives, the Governor, and the Secretary of State by December 15 of the year that the Committee reviews the credit.

MEMBERSHIP:

House Five members of the House Ways and Means Committee, not more than three from the same political party, appointed by the Speaker of the House of Representatives:

Andres Cano, Vacant Z-1 House

Senate Five members of the Senate Finance Committee, not more than three from the same political party, appointed by the President of the Senate:

Lela Alston, J.D. Mesnard, Vacant Z-2 Senate

Notes: After completing the review process, the Committee shall determine whether the credit should be amended, repealed or retained. If the credit is recommended to be retained or amended, the Committee shall recommend that the credit be returned to the income tax credit review schedule prescribed in A.R.S. 43-222. The next review shall be the fifth full calendar year following the date the credit was reviewed. The Committee shall use the Joint Legislative Budget Committee staff and may use the staff of the Department of Revenue and Legislative Council for assistance. Laws 2021, Chapter 285 struck the repeal date of 7/1/22. No end date now.

CONTACT: Molly Graver, Senate Research Staff; Vince Perez, House Research Staff

REPORT DATE: December 15, annually

EXPIRATION DATE: None

STATUTORY CITE: A.R.S. 43-221; Laws 2002, Chapter 238; Laws 2003, Chapter 122, Sec. 1; Laws 2014, Chapter 229; Laws 2021, Chapter 285