

STATE LEGISLATIVE DISCUSSION

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05/06/19 Presentation Outline

1. Wayfair
2. Affordable Housing, Employment and Economic Development
3. Long-Term Funding Solutions for DDSP





State Legislative Discussion

HB2702 (Wayfair): TPT; Marketplace Facilitators; Nexus

- Sponsored by Rep. B. Toma (R-District 22)
- New Transaction Privilege Tax (TPT) called "Marketplace Facilitator."
- Establishes the economic nexus as done in South Dakota and across the nation.
 - *Implementation of the Wayfair decision.*
 - *37 of the 45 states that have a state sales tax have acted.*
 - *Prior to June 2018 states were precluded from imposing a sales tax on purchases made by remote (out-of-state) sellers.*



State Legislative Discussion

HB2702 (Wayfair)

- Requires out-of-state sellers to follow all applicable laws as if the seller had a physical presence in Arizona if the seller:
 - *Generate more than \$100K in revenue from sales in the state from previous year OR*
 - *Had more than 200 separate transactions (sales) into the state from previous year.*



State Legislative Discussion

HB2702 (Wayfair)

- Supported in Tax Equity and Retail Fairness.
- Supported in proper revenue and proper collection of taxes.
- Supported in flexibility and local control decisions.
 - ✓ Ability to tax certain items
- Supported in being consistent with other states that have adopted this measure.
- Continue to grow and strengthen a more equitable and resilient economy.



State Legislative Discussion

Affordable Housing, Employment and Economic Development

- Supported in measures that provide incentives to increase affordable housing and workforce housing.
- Supported in Low Income House Tax Credits and systems.
- Supported in measures that would increase employment opportunities.
- Supported in measures that provide the best employment opportunities for all citizens.
- Supported in measures providing more opportunities to increase business models.



State Legislative Discussion

Funding Solutions for DDSs (Developmental Disabilities Services Providers)

- Supported in keeping non-profit and for-profit DDSs in Flagstaff.
- Supported in the State of Arizona fully funding DDSs across Arizona.
- Supported in funding DDSs with legal mechanisms in place to appropriate since funds.

STATE LEGISLATIVE DISCUSSION Questions

