

APPLICATION FOR INITIATIVE OR REFERENDUM PETITION SERIAL NUMBER

Secretary of State
1700 W. Washington, 7th Floor
Phoenix, AZ 85007

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2008 NOV - 8 AM 11:00

The undersigned intends to circulate and file an INITIATIVE or a REFERENDUM (circle the appropriate word) petition and hereby makes application for the issuance of an official serial number to be printed in the lower right-hand corner of each side of each signature sheet of such petition. Pursuant to Arizona Revised Statutes § 19-111, attached hereto is the full text, in no less than eight point type, of the MEASURE or CONSTITUTIONAL AMENDMENT (circle appropriate word) intended to be INITIATED or REFERRED (circle appropriate word) at the next general election.

SUMMARY: A description of no more than one hundred words of the principal provisions of the proposed law, constitutional amendment or measure that will appear in no less than eight point type on the face of each petition signature sheet to be circulated.

This proposition clearly redefines how residential property is valued for tax purposes. The valuation baseline is the full cash value of the property on the date of purchase if purchased after 2001 or the full cash value of the property in 2001 as published by the county assessor. Thereafter, the baseline value cannot be increased by more than 2% per year.

[Signature]
Signature of Applicant

Jeff Greenspan
Printed Name of Applicant

4340 E. Indian School Rd #21-217
Address

Phoenix AZ 85018
City State Zip

602 690 4288
Telephone Number

Prop 13 Arizona Yes on C-01-2008
Name of Organization (if any)

4340 E. Indian School #21-217
Address

Phoenix AZ 85018
City State Zip

602 690 4288
Telephone Number

Jeff Greenspan Chairman
Name of Officer and Title

4340 E. Indian School Rd #21-217
Address

Phoenix AZ 85018
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LYNNE WEAVER
Name of Officer and Title

2610 E. SPRING ROAD
Address

PHOENIX AZ 85032
City State Zip

602-953-1590
Telephone Number

CF: 20060284A
Date of Application <u>11/8/2006</u>
Signatures Required <u>TBD 230,047</u>
Deadline for Filing <u>TBD July 3, 2008</u>
Serial Number Issued <u>C-01-2008</u>

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AN INITIATIVE MEASURE

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REDEFINING RESIDENTIAL PROPERTY TAX VALUATION IN THE ARIZONA
CONSTITUTION, ARTICLE IX, SECTION 18

Be it enacted by the People of Arizona:

1. Article IX, Section 18, Constitution of Arizona is proposed to be amended as follows if approved by the voters and on proclamation of the Governor:
2. The Secretary of State shall submit this proposition to the voters at the next general election as provided by Article XXI, Constitution of Arizona

18. Residential ad valorem tax limits; limit on increase in values; definitions

Section 18. (1) ~~The maximum amount of ad valorem taxes that may be collected from residential property in any tax year shall not exceed one per cent of the property's full cash value as limited by this section.~~

(1) (A) The maximum amount of ad valorem taxes that may be collected from residential property in any tax year shall not exceed one per cent of the property's full cash value as limited by this section.

(B) WITHIN THIS SECTION BEGINNING WITH TAX YEAR 2009; "FULL CASH VALUE" MEANS THE COUNTY ASSESSOR'S VALUATION OF REAL PROPERTY AS SHOWN ON THE 2001 TAX BILL UNDER "FULL CASH VALUE" OR, AFTER DECEMBER 31, 2001, THE ACTUAL PURCHASE PRICE OF THE RESIDENTIAL PROPERTY.

(C) WITHIN THIS SECTION FOR TAX YEARS SUBSEQUENT TO 2009; BEGINNING WITH THE DEFINITION OF "FULL CASH VALUE" DEFINED IN 18.(1).(B) AS THE BASELINE, FULL CASH VALUE SHALL EQUAL THE FULL CASH VALUE OF THE RESIDENTIAL PROPERTY IN THE PREVIOUS YEAR PLUS AN AMOUNT NOT TO EXCEED TWO PERCENT (2%) OF THE FULL CASH VALUE OF THE RESIDENTIAL PROPERTY IN THE PREVIOUS YEAR.

(2) The limitation provided in subsection (1) does not apply to:

(a) Ad valorem taxes or special assessments levied to pay the principal of and interest and redemption charges on bonded indebtedness or other lawful long-term obligations issued or incurred for a specific purpose.

(b) Ad valorem taxes or assessments levied by or for property improvement assessment districts, improvement districts and other special purpose districts other than counties, cities, towns, school districts and community college districts.

(c) Ad valorem taxes levied pursuant to an election to exceed a budget, expenditure or tax limitation.

(3) Except as otherwise provided by subsections (5), (6) and (7) of this section the value of real property and improvements and the value of mobile homes used for all ad valorem taxes except those specified in subsection (2) shall be the lesser of the full cash value of the property or an amount ten per cent greater than the value of property determined pursuant to this subsection for the prior year or an amount equal to the value of property determined pursuant to this subsection for the prior year plus one-fourth of the difference between such value and the full cash value of the property for current tax year, whichever is greater.

(4) The legislature shall by law provide a method of determining the value, subject to the provisions of subsection (3), of new property.

(5) The limitation on increases in the value of property prescribed in subsection (3) does not apply to equalization orders that the legislature specifically exempts by law from such limitation.

(6) Subsection (3) does not apply to:

(a) Property used in the business of patented or unpatented producing mines and the mills and the smelters operated in connection with the mines.

(b) Producing oil, gas and geothermal interests.

(c) Real property, improvements thereto and personal property used thereon used in the operation of telephone, telegraph, gas, water and electric utility companies.

(d) Aircraft that is regularly scheduled and operated by an airline company for the primary purpose of carrying persons or property for hire in interstate, intrastate or international transportation.

(e) Standing timber.

(f) Property used in the operation of pipelines.

(g) Personal property regardless of use except mobile homes.

(7) A resident of this state who is sixty-five years of age or older may apply to the county assessor for a property valuation protection option on the person's primary residence, including not more than ten acres of undeveloped appurtenant land. To be eligible for the property valuation protection option, the resident shall make application and furnish documentation required by the assessor on or before September 1. If the resident fails to file the application on or before September 1, the assessor shall process the application for the subsequent year. If the resident files an application with the assessor on or before September 1, the assessor shall notify the resident whether the application is accepted or denied on or before December 1. The resident may apply for a property valuation protection option after residing in the primary residence for two years. If one person owns the property, the person's total income from all sources including nontaxable income shall not exceed four hundred per cent of the supplemental security income benefit rate established by section 1611(b)(1) of the social security act. If the property is owned by two or more persons, including a husband and wife, at least one of the owners must be sixty-five years of age or older and the owners' combined total income from all sources including nontaxable income shall not exceed five hundred per cent of the supplemental security income benefit rate established by section 1611(b)(1) of the social security act. The assessor shall review the owner's income qualifications on a triennial basis and shall use the owner's average total income during the previous three years for the review. If the county assessor approves a property valuation protection option, the value of the primary residence shall remain fixed at the full cash value in effect during the year the property valuation protection option is filed and as long as the owner remains eligible. To remain eligible, the county assessor shall require a qualifying resident to reapply for the property valuation protection option every three years and shall send a notice of reapplication to qualifying residents six months before the three year reapplication requirement. If title to the property is conveyed to any person who does not qualify for the property valuation protection option, the property valuation protection option terminates, and the property shall revert to its current full cash value.

(8) The legislature shall provide by law a system of property taxation consistent with the provisions of this section.

(9) For purposes of this section:

(a) "Owner" means the owner of record of the property and includes a person who owns the majority beneficial interest of a living trust.

(b) "Primary residence" means all owner occupied real property and improvements to that real property in this state that is a single family home, condominium, townhouse or an owner occupied mobile home and that is used for residential purposes.

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