

Arizona Tax Court Rules Against Pinal County's Transportation Sales Tax

To: ATRA Board of Directors

From: Kevin McCarthy, President

Subject: AZ Tax Court Rules Against Pinal Transportation Sales Tax

Yesterday the Arizona Tax Court ruled against Pinal County in the Goldwater Institute's challenge of Pinal's transportation sales tax. As you know, ATRA was directly involved in this issue from the outset and informed Pinal County officials at their budget meeting on June 20, 2017 that ATRA had significant legal concerns regarding their proposal.

Subsequent to that meeting, ATRA Vice-President Jennifer Stielow publicly questioned the legality of the proposal in an op-ed published in the Arizona Capitol Times and Case Grande Dispatch. Despite still having adequate time to address ATRA's concerns, the Pinal County Board of Supervisors regrettably chose to ignore ATRA and proceeded with the flawed Resolution that called for a half-cent sales tax on tangible personal property sold at retail. In addition, that resolution capped the tax at retail transactions under \$10,000. I have attached the Tax Court decision, Jennifer Stielow's op-ed, as well as the January 2018 ATRA Newsletter that provides a brief summary of the issue.

For those of you impacted by the tax, I am told by ADOR that they are going to encourage Pinal County to decide quickly regarding any decision to appeal. ADOR's recommendation is to continue collecting the tax until there is a final decision regarding an appeal. More information on how refunds will be handled will also be available at that time.

If you have any questions on this issue, please call me at the ATRA office at 602-253-9121.

[AZ Tax Court Decision](#)
[Jennifer Stielow op-ed](#)
[ATRA January 2018 Newsletter](#)