



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
Second Regular Session

Senate: FICO DP 7-0-0 | 3rd Read 25-0-5-0

SB 1496: property tax exemptions; inflation adjustment

Sponsor: Senator Mesnard, LD 13

Committee on Ways & Means

Overview

Modifies the method to annually increase the property assessment limit for widows and widowers, persons with total and permanent disabilities and veterans with service or nonservice connected disabilities who are residents of Arizona (qualified person) to qualify for a property tax exemption.

History

The property of a qualified person is exempt from taxation under conditions and limitations. The exception amount is limited to \$4,188 if the person's total assessment does not exceed \$28,459. For a veteran, this is further limited by multiplying the total exemption amount by the percentage of the veteran's disability, as rated by the United States Department of Veterans Affairs ([A.R.S. § 42-11111](#)).

The Federal Housing Finance Agency House Price Index (FHFA HPI) is a comprehensive collection of publicly available house price indexes that measure changes in the single-family home values based on data that extend back to the mid-1970s from all 50 states and over 400 American cities. The FHFA HPI incorporates tens of millions of home sales and offers insights about house price fluctuations at the national, census division, state, metro area, county, ZIP code and census tract levels ([FHFA](#)).

Provisions

1. Requires DOR, beginning in TY 2025, to increase the total assessment limit amount for a property tax exemption based on the average annual percentage increase, if any, in the FHFA HPI for the two most recent complete state fiscal years. (Sec. 1)
2. Defines *federal house price index* as the average measure of movement of single-family house prices in the United States published by the FHFA, or its successor, for Arizona. (Sec. 1)
3. Makes conforming changes. (Sec. 1)

<input type="checkbox"/> Prop 105 (45 votes)	<input type="checkbox"/> Prop 108 (40 votes)	<input type="checkbox"/> Emergency (40 votes)	<input checked="" type="checkbox"/> Fiscal Note
--	--	---	---