

HJR 36 -- Fair Taxation

Sponsor: Emery

Upon voter approval, this proposed constitutional amendment replaces the state individual and corporate income tax, sales and use tax, and estate tax with a fair sales tax of 5.11% on retail sales of new tangible personal property and taxable services beginning January 1, 2012. The General Assembly can make one adjustment to the rate after the imposition of the tax to adjust the amount of revenue received to make the tax revenue-neutral and to provide continued funding for programs. Ingredients and component parts will be exempt from the new sales tax while all other exemptions and tax credits will be eliminated. The conservation sales tax and the soil and parks sales tax will be recalculated to produce substantially the same amount of revenue. Each resident will receive a monthly sales tax rebate based on the federal poverty level guidelines to offset the sales tax on basic necessities.