




MEMORANDUM

Date: July 11, 2022

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: Jan Lesher 
County Administrator

Re: **Elimination of the State Equalization Tax**

As part of its FY 22/23 budget, the State repealed the State Equalization Assistance Tax Rate (SETR) through [Laws 2022, Chapter 317](#). This was the last major statewide tax rate that the State collected to provide additional K-12 school funding. The State has included additional funding for the schools from the State general fund in order to backfill for this reduction in revenue.

The County did not receive any revenue for this tax and therefore will not lose any revenue due to the elimination of the SETR. The impact on individual taxpayers can vary depending on their property value, but most taxpayers will see a reduction in their property taxes due to the elimination of the SETR.

JKL/anc

c: Carmine DeBonis, Jr., Deputy County Administrator
Francisco García, MD, MPH, Deputy County Administrator
Ellen Moulton, Director, Finance and Risk Management
Andy Welch, Deputy Director, Finance and Risk Management
Xavier Rendon, Budget Division Manager, Finance and Risk Management