

“Arizona’s long-term economic growth depends on stable, sustainable revenue and smart public investments — not tax breaks that disproportionately flow to the ultra rich.”

**JOSEPH PALOMINO**  
**DIRECTOR**

**FOR IMMEDIATE RELEASE**

**March 3, 2026**

**Media Contact:**

Sarah Muench

smuench@azeconcenter.org

## **Following the Money: Major 2026 Tax Bills at the Capitol — and What They Mean for Arizona**

**PHOENIX** — The Arizona Center for Economic Progress released on Tuesday a new [overview of major tax-related bills](#) advancing during the 2026 Arizona legislative session, warning that several proposals could significantly reduce state and local revenue, create new tax loopholes, and divert funding away from shared priorities such as public K-12 education, child care, infrastructure, and public safety.

The [snapshot](#) outlines proposals that would:

- Provide high-end capital gains tax breaks that disproportionately benefit wealthy homeowners

- Freeze local government revenue for nearly four years
- Create new refundable tax credits that divert General Fund dollars away from public K-12 education
- Commit Arizona to a new federal voucher-style tax credit program with uncertain long-term fiscal consequences
- Restrict the ability of state agencies and local governments to respond to rising costs

“These proposals may be framed as tax relief, but many would [primarily benefit the wealthy few and big corporations](#) while increasing pressure on state and local budgets,” said Joseph Palomino, director of the Arizona Center for Economic Progress. “Arizona’s long-term economic growth depends on stable, sustainable revenue and smart public investments — not structural changes that make budgeting harder or tax breaks that disproportionately flow to the ultra rich.”

The full snapshot includes detailed explanations of each bill, its current status, and analysis of potential fiscal and economic impacts.

Follow the money [here](#).

*The Arizona Center for Economic Progress is a leader in advancing policies that create fairer tax codes which raise the revenue needed to invest in education, affordable housing, health care, infrastructure and other supports needed to build thriving communities and better economic opportunities for all Arizonans.*

### ***The Arizona Center for Economic Progress***

P.O. Box 10481

Phoenix, Arizona 85064-0481

Connect with us



Having trouble viewing this email? [View it in your web browser](#)

[Unsubscribe](#) or [Manage Your Preferences](#)