

Chapter 78, Laws Regular
Session Twelfth Legislature
1935

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Luxury Tax Act



AN ACT

Relating to taxation, and to provide for the raising of additional public revenue for unemployment and welfare relief by imposing a tax on the sale of certain luxuries and by imposing a privilege tax on the privilege of engaging in certain businesses and declaring an emergency.

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State Tax Commission

LUXURY TAX DIVISION

STATE CAPITOL

PHOENIX, ARIZONA

Chapter 78, Laws Regular Session Twelfth Legislature, 1935

AN ACT

RELATING TO TAXATION, AND TO PROVIDE FOR THE RAISING OF ADDITIONAL PUBLIC REVENUE FOR UNEMPLOYMENT AND WELFARE RELIEF BY IMPOSING A TAX ON THE SALE OF CERTAIN LUXURIES AND BY IMPOSING A PRIVILEGE TAX ON THE PRIVILEGE OF ENGAGING IN CERTAIN BUSINESSES AND DECLARING AN EMERGENCY.

Be It Enacted By the Legislature of the State of Arizona:

ARTICLE I

Section 1. Definitions.

For the purposes of this act, and unless otherwise required by the context:

(a) The term "malt extract, derivatives or combinations thereof" shall mean and include all extracts, derivatives and combinations commonly called malt or malt extract, and shall include all combinations or extracts that are derivatives of sprouted barley or malt extract or products prepared in whole or in part from barley or products of barley, which may be used in the preparation or manufacture of any beverage.

(b) The term "spirituous liquor" shall mean any liquid containing more than one-half of one per cent of alcohol by volume which is produced by the distillation of any fermented substance and which is used or which is prepared for use as a beverage.

(c) The term "vinous liquor" shall mean any liquid containing more than one-half of one per cent alcohol by volume made by the process of fermentation of grapes, berries, fruits, vegetables or other substances, but not including those liquids in which hops or grains are used in the process of fermentation and not including liquids made by the process of distillation of such substances.

(d) The term "malt liquor" shall mean any liquid containing more than one-half of one per cent of alcohol by volume which is made by the process of fermentation and not distillation of hops

or grains, but not including liquids made by the process of distillation of such substances.

(e) The terms "spirituous liquor", "vinous liquor" and "malt liquor" shall not be deemed to include medicines unsuitable for beverage purposes or beverages sold under the prescription of a physician.

(f) The term "cigarette" shall mean all rolls of tobacco or any substitute therefor wrapped in paper or any substance other than tobacco.

(g) The term "cigars" shall mean all rolls of tobacco or any substitute therefor wrapped with tobacco.

(h) The term "retailer" shall mean any person who comes into possession of the luxuries subject to the taxes imposed by this act for the purpose of selling such luxuries for consumption and not for resale.

(i) The term "consumer" shall mean a person who comes into possession of any of the luxuries subject to the tax imposed by this act for the purpose of using, giving away or disposing of such luxuries in any way other than by sale, barter or exchange.

(j) The term "cosmetics and toilet preparations" shall include all cosmetics and perfumes, essences, extracts, toilet waters, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, toilet powders, and any similar substances, articles or preparations, by whatever name known or described, which are used or applied or intended to be used or applied externally for toilet purposes, but not including soaps, tooth and mouth washes, dentifrices, tooth pastes, shaving creams or shaving soaps.

(k) The term "playing cards" shall mean any cards or combination or assortment of cards composing a pack and used in playing various games.

(l) The terms "the commission" or "the tax commission" shall mean the state tax commission.

(m) The term "person" shall mean any individual, firm, co-partnership, joint adventure, association, corporation, municipal corporation, estate, trust, club, society, or any other group or combination acting as a unit, and the plural as well as the singular number, unless the intention to give a more limited meaning is disclosed by the context.

(n) The term "wholesaler" shall mean a person who sells any luxury taxed under the provisions

of this act to retail dealers or for purposes of resale only.

(o) The term "luxury" shall mean any article or any object or any device upon which a tax is imposed under the provisions of this act.

ARTICLE II

Malt extracts, spirituous liquors, vinous liquors, malt liquors, cigarettes, tobacco, snuff, cigars, cosmetics, playing cards and films; imposition of tax; revenue stamps; records; penalties.

Section 1. Object, imposition and rate of tax on certain luxuries; stamps required.

In addition to all other taxes there is hereby levied and imposed and shall be collected and paid to the state tax commission in the manner hereinafter provided, upon all malt extracts, derivatives or combinations thereof, upon all spirituous, vinous and malt liquors, upon all cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of tobacco, upon cosmetics and toilet preparations, upon playing cards; for the purpose of raising public money to provide unemployment and welfare relief, the following tax:

(a) On each pound of sixteen ounces or fraction thereof, of all such malt extracts, derivatives or combination thereof, except such malt that is used in the manufacture of bread, and except such dextrines of malt used for the feeding of infants and invalids, ten cents. The license tax hereby imposed upon malt extracts or derivatives or combinations thereof shall be refunded when the amount of said tax has been paid thereon, and when proof is made to the state tax commission that such malt extract, derivative or combination thereof has been used for other than the preparation of a beverage.

(b) On each sealed container of spirituous liquor containing eight ounces or less, five cents, and at the rate of five cents for each eight ounces for containers containing more than eight ounces.

(c) On each container of vinous liquor, of which the alcoholic content is not greater than twenty-four per cent by volume, containing sixteen ounces or less, three cents, and at the rate of

three cents for each sixteen ounces for containers containing more than sixteen ounces.

(d) On each container of vinous liquor of which the alcoholic content is greater than twenty-four per cent by volume, containing eight ounces or less, five cents, and at the rate of five cents for each eight ounces for containers containing more than eight ounces.

(e) On each gallon of malt liquor, five cents.

(f) On each twenty cigarettes or fractional part thereof, two cents.

(g) On smoking tobacco, snuff, fine cut chewing tobacco, all cut and granulated tobacco, all shorts and refuse of fine cut chewing tobacco, and all refuse, scraps, clippings, cuttings and sweepings of tobacco excluding tobacco powder or tobacco products used exclusively for agricultural or horticultural purposes and unfit for human consumption at the rate of one cent per ounce, or fractional part thereof.

(h) All cavendish, plug or twist tobacco, one-fourth cent per ounce, or fractional part thereof.

(i) On each twenty small cigars or fractional part thereof weighing not more than three pounds per thousand, two cents.

(j) On cigars of all descriptions except those included in paragraph (i) of this section, made of tobacco or any substitute therefor, if manufactured to retail at not more than five cents each, one cent on each three cigars. If manufactured to retail at more than five cents each, one cent on each cigar.

(k) On cosmetics and toilet preparations, two cents for each twenty cents or major fraction thereof of the retail price.

(l) On playing cards and films other than for commercial use, two cents for each twenty cents or major fraction thereof of the retail price.

(m) On golf equipment, polo equipment, fishing tackle and fishing accessories and shot gun shells, two cents for each twenty cents or major fraction thereof of the retail price.

All malt extracts, derivatives or combinations thereof, all cigarettes, cigars, smoking tobacco, snuff, plug tobacco, fine cut chewing tobacco, and all other forms of tobacco, excluding tobacco powder or tobacco products used exclusively for agricultural and horticultural purposes and unfit for human consumption, all cosmetics and all playing cards and films other than for commercial use, shall be put up in packages or containers and on

each of said packages or containers shall be affixed an official stamp denoting the classification of the luxury, as classified heretofore in this section, and the tax thereon.

All spirituous, vinous and malt liquors shall be sold in sealed containers and there shall be securely affixed thereto an official stamp denoting the classification of the luxury, as classified heretofore in this section, and the tax thereon. Provided, however, that spirituous, vinous and malt liquors may be sold by the drink in unsealed containers when the sealed container from which each drink is removed bears a stamp showing the payment of the tax provided by this act, and which container shall be preserved or disposed of according to regulations prescribed by the tax commission.

Every stamp required under the provisions of this act shall be securely affixed to some visible part of the package or container to which it will firmly adhere during the possession of the consumer, except as otherwise provided.

Sec. 2. Revenue stamps.

The state tax commission shall prepare and have on hand official adhesive stamps of various types according to the classifications, as contained in section 1, of luxuries upon which a tax is imposed by this article; said stamps shall be of a character that they cannot be removed when once attached to an article without destroying them. Such official stamps shall be printed on durable material, and shall set forth plainly on the face of each such stamp the denomination thereof, the facsimile signature of the chairman of the state tax commission at the time of the printing thereof, and the classification of the luxury upon which such stamp is to be affixed. Such official stamps shall be obtainable by wholesalers or retailers by purchase at the face price thereof from the state tax commission at Phoenix, Arizona.

Sec. 3. Redemption of stamps; exports; interstate sales.

The state tax commission shall redeem any unused stamps that any retailer or wholesaler presents for redemption, and pay for the same out of funds collected under the provisions of this article. The tax hereby imposed by this article upon any articles or substances shall be refunded when the amount of said tax has been paid thereon and when proof is made to the state tax commission that such

articles or substances were exported from this state and sold for consumption outside this state. The manner of making such proof shall be in accordance with the regulations which may be adopted by the state tax commission. The tax imposed by this article shall not be imposed upon any article or substance sold in interstate commerce which the state of Arizona is prohibited from taxing under the Constitution of the United States of America.

Sec. 4. By whom stamps shall be affixed.

(a) Unless they have been previously affixed, or the rules and regulations of the commission shall otherwise prescribe, the stamps required by this article shall be affixed by the wholesaler, and cancelled by writing across the face thereof the name of the wholesaler prior to the delivery to any other person of any luxury upon which a tax is imposed by this article.

(b) Immediately upon the receipt by a retailer, of any luxury upon which a tax is imposed by this article, said retailer shall affix the proper stamps to each package or container, unless they have been previously affixed thereto, or in case of an unopened box, carton, or other container of such luxuries, by writing the word "received" thereon and the hour, day, month, and year of such receipt and affixing his signature thereto. He shall in any event open such box, carton or other container and affix the proper stamps to each package therein, prior to offering for sale any luxury upon which a tax is imposed by this act.

Sec. 5. Retention of invoices; records; invoices, books, papers and stock open to commission.

(a) Whenever a wholesaler in this state shall sell or deliver to any person any of the luxuries on which a tax is imposed by this article, he shall make a true duplicate invoice thereof, showing the date of delivery, the amount and value of each such sale, shipment or consignment, and the name and location of the purchaser or person to whom delivery is made, and shall file and retain the same for a period of two years, subject to the inspection and use of the commission.

(b) Every wholesaler or retailer shall procure and retain invoices showing the amount and value of each purchase or shipment of any of said luxuries received by him, which shall show the date thereof,

the name and location of the shipper, and the value of such purchase or shipment, and shall retain the same for a period of two years subject to the use and inspection of the commission. All books, papers, invoices and records of any wholesaler or retailer whether or not required under provisions of this article to be kept, showing his sales, receipts and purchases of luxuries, shall at all times during the usual business hours be open for the inspection of the commission, and any stock of luxuries in and upon any premises where placed, stored or sold, may be examined by the commission for the purpose of determining whether or not the provisions of this act are being obeyed.

Sec. 6. Luxuries to which stamps are not affixed as required; seizure and sale thereof.

Whenever the commission or any of its agents or representatives authorized by it for such purpose shall discover any luxury subject to tax under the provisions of this article, to which official stamps have not been affixed as required by this article, the commission, or any such agent or representative shall have power to forthwith seize and take possession of such luxury and the same shall be deemed to be forfeited to the state, and the commission shall within a reasonable time thereafter pursuant to a notice posted upon the premises or by publication in a newspaper having circulation in the county where such seizure is made, not less than five days before the date of sale, offer for sale and sell such forfeited luxuries, and from the proceeds of the sale shall collect the tax due thereon together with a penalty of fifty per cent thereof and the cost incurred in the proceedings and pay the balance, if any, to the person whose claim of ownership may be found by the commission to be valid. Such sale shall be made in the county where most convenient and economical. Such seizure and sale shall not be deemed to relieve any person from the penalties provided for the violation of any provisions of this act.

Sec. 7. Penalties.

(a) Any retailer who has in his possession any package, bottle, or other container containing a luxury, not bearing the stamps by this article required to be affixed thereto, unless such packages shall be in unbroken containers, shall be guilty of a misdemeanor, and, upon conviction, thereof, shall be fined not less than twenty-five dollars, nor more

than two hundred dollars for each individual offense.

(b) Any person engaged in the business of selling any luxury, either at wholesale or retail who refuses or fails to produce, on demand by the commission, invoices of all luxuries purchased or received by him within two years prior to such demand, unless upon satisfactory proof it is shown that he is unable to do so for reasons beyond his control, shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than twenty-five dollars nor more than two hundred dollars for each individual offense.

(c) Any person who makes a false entry upon any invoice, package or container or luxuries, or who with intent to avoid the tax imposed by this article presents any such false entry for the inspection of the commission, shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than twenty-five dollars nor more than two hundred dollars for each individual offense.

(d) Any person who prevents or hinders the commission from making a full inspection of any place where any luxury is sold or stored, or prevents or hinders the inspection of invoices, books, records, or papers required to be kept, shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than twenty-five dollars nor more than two hundred dollars for each individual offense.

(e) Any person who sells any luxury without the stamp or stamps required by this article being affixed thereto shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than one hundred dollars nor more than five hundred dollars, or shall be imprisoned in the county jail for not more than ninety days, or both, for each individual offense.

(f) Any person who falsely or fraudulently makes, forges, alters, or counterfeits, or causes or procures to be falsely or fraudulently made, forged, altered, or counterfeited, any stamps prepared or prescribed by the commission under the authority of this article, or who knowingly and willfully utters, publishes, passes or tenders as true, any such false, altered, forged or counterfeited stamp, or uses any stamp provided for and required by this article which has already once been used, for the purpose of evading the tax hereby imposed, shall be guilty of a felony and upon conviction thereof, shall be imprisoned in the state prison not less than one nor more than ten years.

(g) Any person who violates any of the provisions of this article or any lawful rule or regulation promulgated by the commission under the authority of this article, for which no other penalty is prescribed, shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than twenty-five dollars nor more than two hundred dollars for each individual offense.

ARTICLE III

Mechanical games; privilege license tax; penalties.

Section 1. (2) Imposition of privilege license tax; object.

In addition to all other taxes there is hereby levied and imposed, for the purpose of raising public money to provide unemployment and welfare relief, a privilege license tax upon each mechanical game or device, in the state of Arizona, as classified in subdivision (b) of this section and maintained or placed where such devices or objects may be operated for purposes of compensation, gain or profit or may be available to members of clubs or societies, which such privilege license tax shall be paid by the owner or lessor of such devices or objects and shall be collected by the state tax commission in the manner hereinafter set forth.

(b) Upon each mechanical game or device, excluding pay telephones and pay toilets, permitting the operation thereof by insertion therein of coins, slugs or tokens, or which may be operated by means or with the assistance of springs, weights, levers, plungers, magnets, electricity, gravity, or the skill or the force of the player thereof, a privilege license tax of five dollars for each calendar month or fraction thereof for any machine, device, or game upon which a tax is imposed by this act when operated by or in connection with any circus, carnival, show or other traveling attraction, and not operating in a permanent or fixed location, shall be taxed the sum of \$10.00 per day for each such machine, device or game. Provided, however, that vending machines which are not games of chance and are used solely for the vending of postage stamps, chewing gums, candies, peanuts, matches, or other merchandise and weighing machines shall not be considered as mechanical games or devices within the meaning of this act.

Sec. 2. Application for licenses.

Any person after the thirty-first day of March, 1935, who shall be the owner or lessor of any mechanical game or device, as classified in section 1 of this article, shall procure from the state tax commission a privilege license and official stamps or official labels as provided in section 2 of this article. Such owner or lessor shall make application to the commission, upon a form by it prescribed and furnished, stating the name and business address of such owner or lessor, describing correctly and individually each such object or device upon which a privilege license tax is herein imposed and which such applicant desires to maintain or operate as part of the equipment of any club or society or for compensation, gain or profit, and stating the place or address at which each such object or device is to be located. Such application shall be accompanied by the payment of an amount equal to the amount of the privilege license taxes as are imposed by the provisions of this article for one calendar month on such taxable objects or devices described in such application.

Sec. 3. Licenses, official labels or official stamps.

The state tax commission shall have on hand official labels or official stamps individually applicable to each classification of taxable objects or devices as classified in section 1 of this article. Said stamps shall be of a character that they cannot be removed when once attached to an article without destroying them. Such official labels or official stamps shall bear serial numbers to be kept upon record in the office of the tax commission, and to be charged as issued against the name of the licensee, and shall state the appropriate classification of the taxable object or device to which applicable, and the words "privilege license, state of Arizona".

Upon receipt of an application for a privilege license in the form and manner provided for in section 2 of this article and the payment of such privilege license taxes as provided for in such section, the tax commission shall issue to the applicant a privilege license to maintain or operate such taxable objects or devices as shall have been described and at such locations as shall have been stated in such application, which license shall be conditioned upon the payment when due of all li-

cense taxes levied and imposed by the provisions of this article, and shall, at the same time furnish to said applicant an official stamp or an official label, whichever is the more appropriate in the discretion of the state tax commission for each such object or device which official label or official stamp shall be for the classification to which each such object or device is subject by the provisions of section 1 of this article. It shall be the duty of the licensee under such license to affix firmly to or attach securely upon the taxable object or device such official stamp or such official label as shall have been furnished by the tax commission on account of such object or device.

Sec. 4. Privilege license taxes payable monthly; delinquent date; penalty.

The privilege license taxes levied and imposed under this article shall be due and payable monthly on the first day of each calendar month during which such taxable objects are to be maintained or operated, and any taxpayer who shall have failed to pay such taxes within five days from the date upon which such payment shall have become due shall be subject to and shall pay a penalty of fifty per cent of the amount of such tax and the objects or devices upon which such privilege taxes are herein imposed shall be subject to seizure and confiscation in accordance with the provisions of section 6 of this article. All taxes levied and imposed by this article shall be payable by the taxpayer at the office of the state tax commission, Phoenix, Arizona.

Sec. 5. Unlawful possession or operation of taxable objects or devices; penalties.

It shall be unlawful for any person to own, lease, possess or maintain for compensation, gain or profit, or as part of the equipment of any club or society, any mechanical game or device, as classified in section 2 of this article, unless there shall be affixed firmly or attached securely thereto an official stamp or an official label, as the case may be, as required by the provisions of section 3 of this article.

It shall be unlawful for any person to possess any mechanical game or device, as classified in section 2 of this article and maintained for gain or profit or as part of the equipment of any club or society, after the tax imposed by the provisions

of this article shall have become delinquent and unpaid.

Whenever the commission or any of its agents or representatives authorized by it for such purpose shall discover any mechanical game or device, being possessed or maintained as part of the equipment of a club or society or for compensation, gain or profit and upon or to which there is not affixed firmly or attached securely an official stamp or an official label as required by the provisions of this article, or whenever the privilege license tax imposed by this article against such mechanical game or device, has become delinquent for a period of five days, the commission, or any such agent or representative shall have power to forthwith seize and take possession of such mechanical game or device, and the same shall be deemed to be forfeited to the state, and the commission shall seize and take possession thereof, and shall within a reasonable time thereafter and pursuant to a notice posted upon the premises or by publication in a newspaper having circulation in the county where such seizure is made, not less than five days before the date of sale, offer for sale and sell such forfeited mechanical game or device, and from the proceeds of the sale shall collect the tax and penalties due in connection therewith together with an additional penalty of five dollars and the costs incurred in the proceedings and pay the balance, if any, to the person whose claim of ownership may be found by the commission to be valid. Such sale shall be conducted in the county where most convenient and economical. Such seizure and sale shall not be deemed to relieve any person from the penalties provided for the violation of any provision of this article.

Any owner or lessor of any mechanical game or device, who shall permit the same to be maintained or operated as part of the equipment of a club or society or for compensation, gain or profit without having obtained a privilege license and unless there is affixed firmly upon or attached securely to the same an official stamp or an official label as required by the provisions of this article, or who shall permit the same to be maintained or operated as part of the equipment of a club or society or for compensation, gain or profit after any privilege license tax levied and imposed under this article upon such object or device shall have become delinquent, or upon violation of any condition of the privilege license issued to such owner or lessor shall be guilty of a misdemeanor

and upon conviction thereof shall be fined not less than one hundred dollars nor more than five hundred dollars for each individual offense.

Any person other than the owner or lessor thereof, who shall permit any mechanical game or device, to be maintained or operated as part of the equipment of a club or society or for compensation, gain or profit upon premises owned, rented, leased, or controlled in any manner, by such person, unless there shall be at all times affixed firmly upon or attached securely thereto such official stamps or official labels as provided for in this article, or who shall permit any mechanical game or device, to be maintained or operated as part of the equipment of a club or society or for compensation, gain or profit upon premises owned, rented, leased or controlled in any manner by such person after any privilege tax imposed by the provisions of this article upon such mechanical game or device, has become delinquent and unpaid, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not less than twenty-five dollars nor more than two hundred dollars for each individual offense.

Sec. 6. Illegal alterations or usages of licenses, labels or stamps.

Any person who falsely or fraudulently makes, forges, alters, or counterfeits, or causes or procures to be falsely or fraudulently made, forged, altered, or counterfeited, any license, stamp or label, prepared or prescribed by the commission under the authority of this article, or who knowingly affixes or secures any stamp or label upon a taxable object or device of a classification other than the classification to which such stamp or label is applicable, or who knowingly uses any false, altered, forged or counterfeited stamp or label, for the purpose of evading the privilege tax imposed by this article, shall be guilty of a felony, and upon conviction thereof, shall be imprisoned in the state prison not less than one nor more than ten years.

ARTICLE IV

Administration; disposition of revenue; appropriation; saving clause; emergency clause.

Section 1. Administration.

This act shall be administered by the state tax

commission, and for such purpose, the commission shall have and possess, for its members, its agents, and representatives, all the powers, duties and authority of police officers and sheriffs within the state of Arizona, and all of the powers and authority of appraisement, valuation, assessment, correction, computation, estimation, supervision, direction, investigation, inspection, collection, and enforcement vested in it by any law of this state relating to public revenue and taxation applicable to the administration of this act. The commission shall have authority to make and prescribe rules and regulations, not in conflict with this act, necessary or desirable for the enforcement thereof, and may adopt different detailed regulations applicable to diverse methods and conditions of sale or use of the luxuries upon which a tax is imposed by this act, and may prescribe in each class of cases upon whom, as between the wholesaler and the retailer or, as the case may be, between the owner, lessor or other person in possession of any luxury, the primary duty of affixing official stamps or official labels shall rest and the manner in which such stamps or labels shall be affixed. All agents or representatives of the state tax commission shall, for identification purposes, have credentials signed by the chairman of the commission and countersigned by the governor.

Sec. 2. Disposition of revenue; appropriations.

The commission shall promptly remit all moneys received under the provisions of this act to the state treasurer, through the state auditor, and the treasurer shall place an amount equal to four per cent thereof to a special fund to be known as "the luxury tax administration fund" and shall place the remainder, or ninety-six per cent of all such moneys, in a fund to be known as the "state public welfare fund".

For the purpose of carrying out the provisions of this act, there is hereby appropriated to the state tax commission out of the taxes collected hereunder an amount equal to four per cent of the taxes collected each month hereunder. The necessary expenses of the administration of this act shall be paid upon claims duly itemized, verified, and approved by the state tax commission, which claims shall be presented to and filed with the state auditor who shall draw his warrant therefor on the state treasurer, and the state treasurer

shall pay the same out of the luxury tax administration fund. No expenditures shall be made by the state tax commission in excess of the amount herein appropriated.

There is hereby appropriated to the state auditor for each fiscal year 1935-1936 and 1936-1937 out of the taxes collected hereunder the sum of three thousand dollars to be used to defray the expense of auditing the claims and accounts of the state board of public welfare. There is hereby appropriated to the governor's "relief fund" out of the taxes collected hereunder the sum of five thousand dollars per month to be used by the governor of the state of Arizona for unemployment and relief purposes. The sum remaining after deducting the expenses of the commission in administering the act, the auditor's appropriation and the appropriation to the governor's relief fund are hereby appropriated to the state board of public welfare to be used for the purpose of relief, relieving unemployment in the state and carrying out the objects set forth in chapter 35, Laws of Eleventh Legislature, 1933, in regular session.

The auditor shall issue his warrant in a sum not to exceed one hundred thousand dollars upon claims properly certified by the state board of public welfare for the purpose of creating an imprest fund to facilitate the payment of small expenditures in connection with the operation of the board and the treasurer shall pay the same out of the funds appropriated to the state board of public welfare. When the auditor has issued such warrant, he shall not issue a further like warrant until there is filed with him an itemized and verified statement by the state board of public welfare, showing in detail the expenditure and distribution of the sum previously advanced for said imprest fund. The receipts and vouchers supporting such statement shall be audited by the state auditor. All funds on hand at the end of the biennium or on the thirtieth day of June, 1937 shall revert to the general fund of the state.

Sec. 3. Repealing clause.

Senate Bill No. 86, Laws of the Twelfth Arizona Legislature, Regular Session, 1935, and chapter 18, Session Laws of 1933, first special session, are hereby repealed.

Sec. 4. Saving clause.

If any part of this act shall for any reason be adjudged by a court of competent jurisdiction to be

invalid, the remainder thereof shall not thereby be invalidated, impaired or affected.

Sec. 5. Emergency clause.

To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.