

Conference Engrossed

State of Arizona  
Senate  
Fifty-third Legislature  
Second Regular Session  
2018

# SENATE BILL 1091

AN ACT

AMENDING SECTION 42-5018, ARIZONA REVISED STATUTES; RELATING TO TAX  
PAYMENTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2 Section 1. Section 42-5018, Arizona Revised Statutes, is amended to  
3 read:  
4 42-5018. Method of payment  
5 A. All remittances of taxes imposed by this article shall be made  
6 by bank draft, check, cashier's check, money order, cash or electronic  
7 funds transfer to the department, which shall issue receipts therefor to  
8 the taxpayers, but no remittance other than cash shall be final discharge  
9 of liability for the tax levied by this article until it has been paid in  
10 cash to the department.  
11 B. IN ADDITION TO THE METHODS DESCRIBED IN SUBSECTION A OF THIS  
12 SECTION, THE DEPARTMENT MAY DEVELOP, ADOPT AND USE A PAYMENT SYSTEM THAT  
13 ENABLES THE IMMEDIATE REMITTANCE AND COLLECTION OF TAX IN REAL TIME AT THE  
14 POINT OF SALE, INCLUDING PAYMENTS OF ADDITIONAL AMOUNTS AFTER AUDIT.  
15 Sec. 2. Transaction privilege tax; technology-based payment  
16 system; demonstration project; report; delayed  
17 repeal  
18 A. The department of revenue may design, develop and provide for  
19 trial demonstrations of the adaptation, application and use of technology  
20 to enable immediate remittance and collection of transaction privilege tax  
21 payments, at the option of the taxpayer, at the point of sale and for  
22 payments of additional amounts after audit.  
23 B. For the purposes of this section, the department may:  
24 1. Contract with one or more private vendors and consultants.  
25 2. Identify practical issues, limitations and adaptations in the  
26 systems and procedures of the department.  
27 3. Identify legal issues and recommend legislation that may be  
28 necessary to enable the full application of new technology.  
29 C. If the department engages in a demonstration project under this  
30 section:  
31 1. The department shall prepare a report of its findings and  
32 experiences on or before January 1, 2021.  
33 2. Submit copies of the report to the governor, the president of  
34 the senate, the speaker of the house of representatives, the chairpersons  
35 of the senate finance and the house of representatives ways and means  
36 committees and the secretary of state and post the report on the  
37 department's website.  
38 D. This section is repealed from and after June 30, 2021.