SENATE BILL 1091

AN ACT

AMENDING SECTION 43-505, ARIZONA REVISED STATUTES; RELATING TO INCOME TAX PAYMENTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 43-505, Arizona Revised Statutes, is amended to read:

43-505. Tax payments made to department; order of crediting

A. The tax and any interest and penalties shall be paid to the department. Remittances may be in the form of a check payable to the department during such a time and under such regulations as the director may prescribe. If a check is not paid by the bank on which it is drawn, the taxpayer tendering the check shall remain liable for the payment of the tax and all interest and penalties as if the check were not tendered.

B. A TAXPAYER MAY PAY THEIR INCOME TAX LIABILITY USING A PAYMENT GATEWAY, SUCH AS BITCOIN, LITECOIN OR ANY OTHER CRYPTOCURRENCY RECOGNIZED BY THE DEPARTMENT, USING ELECTRONIC PEER-TO-PEER SYSTEMS. THE DEPARTMENT SHALL CONVERT CRYPTOCURRENCY PAYMENTS TO UNITED STATES DOLLARS AT THE PREVAILING RATE AFTER RECEIPT AND SHALL CREDIT THE TAXPAYER’S ACCOUNT WITH THE CONVERTED DOLLAR AMOUNT ACTUALLY RECEIVED LESS ANY FEES OR COSTS INCURRED BY THE DEPARTMENT FOR CONVERSION.

C. The department shall credit payments against a taxpayer’s unpaid tax liability before crediting payments against any interest or penalties.

Sec. 2. Effective date; applicability

Section 43-505, as amended by this act, is effective and applies to taxable years beginning from and after December 31, 2019.