

State of Arizona
Senate
Fifty-fourth Legislature
Second Regular Session
2020

CHAPTER 40
SENATE BILL 1296

AN ACT

AMENDING SECTIONS 42-1001 AND 43-105, ARIZONA REVISED STATUTES; RELATING
TO TAXATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 42-1001, Arizona Revised Statutes, is amended to
3 read:

4 42-1001. Definitions

5 In this title, unless the context otherwise requires:

6 1. "Board" or "state board" means either the state board of tax
7 appeals or the state board of equalization, as applicable.

8 2. "Court" means the tax court or superior court, whichever is
9 applicable.

10 3. "Department" means the department of revenue.

11 4. "Director" means the director of the department.

12 5. "Electronically send" or "send electronically" means to send by
13 either ~~e-mail~~ EMAIL or the use of an electronic portal.

14 6. "Electronic portal" means a secure location on a website
15 established by the department that requires the receiver to enter a
16 password to access.

17 7. "~~E-mail~~ EMAIL" means:

18 (a) An electronic transmission of a message to an ~~e-mail~~ EMAIL
19 address.

20 (b) If the message contains confidential information, ~~e-mail means~~
21 the electronic transmission of a message to an ~~e-mail~~ EMAIL address using
22 encryption software that requires the receiver to enter a password before
23 the message can be retrieved and viewed.

24 8. "Internal revenue code" means the United States internal revenue
25 code of 1986, as amended and in effect as of January 1, ~~2019~~ 2020,
26 including those provisions that became effective during ~~2018~~ 2019 with the
27 specific adoption of their retroactive effective dates but excluding all
28 changes to the code enacted after January 1, ~~2019~~ 2020.

29 Sec. 2. Section 43-105, Arizona Revised Statutes, is amended to
30 read:

31 43-105. Internal revenue code; definition; application

32 A. FOR THE PURPOSES OF COMPUTING INCOME TAX PURSUANT TO THIS TITLE,
33 FOR TAXABLE YEARS BEGINNING FROM AND AFTER DECEMBER 31, 2019, "INTERNAL
34 REVENUE CODE" MEANS THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS
35 AMENDED, IN EFFECT ON JANUARY 1, 2020, INCLUDING THOSE PROVISIONS THAT
36 BECAME EFFECTIVE DURING 2019 WITH THE SPECIFIC ADOPTION OF ALL RETROACTIVE
37 EFFECTIVE DATES, BUT EXCLUDING ANY CHANGES TO THE CODE ENACTED AFTER
38 JANUARY 1, 2020.

39 ~~A.~~ B. For the purposes of computing income tax pursuant to this
40 title, for taxable years beginning from and after December 31, 2018
41 ~~THROUGH DECEMBER 31, 2019~~, "internal revenue code" means the United States
42 internal revenue code of 1986, as amended, in effect on January 1, 2019,
43 including those provisions that became effective during 2018 with the
44 specific adoption of all retroactive effective dates, ~~but excluding any~~
45 ~~changes to the code enacted after January 1, 2019~~ AND INCLUDING THOSE

PROVISIONS OF THE TAXPAYER FIRST ACT (P.L. 116-25) AND THE FURTHER CONSOLIDATED APPROPRIATIONS ACT, 2020 (P.L. 116-94) THAT ARE RETROACTIVELY EFFECTIVE DURING TAXABLE YEARS BEGINNING FROM AND AFTER DECEMBER 31, 2018 THROUGH DECEMBER 31, 2019.

~~B.~~ C. For the purposes of computing income tax pursuant to this title, for taxable years beginning from and after December 31, 2017 through December 31, 2018, "internal revenue code" means the United States internal revenue code of 1986, as amended, in effect on January 1, 2018, including those provisions that became effective during 2017 with the specific adoption of all retroactive effective dates, and including those provisions of the bipartisan budget act of 2018 (P.L. 115-123), ~~and~~ the consolidated appropriations act, 2018 (P.L. 115-141) AND THE FURTHER CONSOLIDATED APPROPRIATIONS ACT, 2020 (P.L. 116-94) that are retroactively effective during taxable years beginning from and after December 31, 2017 through December 31, 2018.

~~C.~~ D. For the purposes of computing income tax pursuant to this title, for taxable years beginning from and after December 31, 2016 through December 31, 2017, "internal revenue code" means the United States internal revenue code of 1986, as amended, in effect on January 1, 2017, including those provisions that became effective during 2016 with the specific adoption of all federal retroactive effective dates, and including those provisions of the disaster tax relief and airport and airway extension act of 2017 (P.L. 115-63), the tax cuts and jobs act (P.L. 115-97), the bipartisan budget act of 2018 (P.L. 115-123), ~~and~~ the consolidated appropriations act, 2018 (P.L. 115-141) AND THE FURTHER CONSOLIDATED APPROPRIATIONS ACT, 2020 (P.L. 116-94) that are retroactively effective during taxable years beginning from and after December 31, 2016 through December 31, 2017.

~~D.~~ E. For the purposes of computing income tax pursuant to this title, for taxable years beginning from and after December 31, 2015 through December 31, 2016, "internal revenue code" means the United States internal revenue code of 1986, as amended, in effect on January 1, 2016, including those provisions that became effective during 2015 with the specific adoption of all federal retroactive effective dates, and including those provisions of the United States appreciation for olympians and paralympians act of 2016 (P.L. 114-239), the tax cuts and jobs act (P.L. 115-97), ~~and~~ the consolidated appropriations act, 2018 (P.L. 115-141) AND THE FURTHER CONSOLIDATED APPROPRIATIONS ACT, 2020 (P.L. 116-94) that are retroactively effective during taxable years beginning from and after December 31, 2015 through December 31, 2016.

~~E.~~ F. For the purposes of computing income tax pursuant to this title, for taxable years beginning from and after December 31, 2014 through December 31, 2015, "internal revenue code" means the United States internal revenue code of 1986, as amended, in effect on January 1, 2015, including those provisions that became effective during 2014 with the

1 specific adoption of all federal retroactive effective dates, and
2 including those provisions of the slain officer family support act of 2015
3 (P.L. 114-7), the don't tax our fallen public safety heroes act
4 (P.L. 114-14), the surface transportation and veterans health care choice
5 improvement act of 2015 (P.L. 114-41), the consolidated appropriations
6 act, 2016 (P.L. 114-113) and the consolidated appropriations act, 2018
7 (P.L. 115-141) that are retroactively effective during taxable years
8 beginning from and after December 31, 2014 through December 31, 2015.

9 ~~F.~~ G. For the purposes of computing income tax pursuant to this
10 title, for taxable years beginning from and after December 31, 2013
11 through December 31, 2014, "internal revenue code" means the United States
12 internal revenue code of 1986, as amended, in effect on January 1, 2014,
13 including those provisions that became effective during 2013 with the
14 specific adoption of all federal retroactive effective dates, and
15 including those provisions of the Philippines charitable giving assistance
16 act (P.L. 113-92), the Gabriella Miller kids first research act
17 (P.L. 113-94), the cooperative and small employer charity pension
18 flexibility act (P.L. 113-97), the highway and transportation funding act
19 of 2014 (P.L. 113-159), the tribal general welfare exclusion act of 2014
20 (P.L. 113-168), the consolidated and further continuing appropriations
21 act, 2015 (P.L. 113-235), the 2014 airline bankruptcy payments rollover
22 act (P.L. 113-243), the tax increase prevention act of 2014
23 (P.L. 113-295), the slain officer family support act of 2015 (P.L. 114-7)
24 and the consolidated appropriations act, 2016 (P.L. 114-113) that are
25 retroactively effective during taxable years beginning from and after
26 December 31, 2013 through December 31, 2014.

27 ~~G.~~ H. For the purposes of computing income tax pursuant to this
28 title, for taxable years beginning from and after December 31, 2012
29 through December 31, 2013, "internal revenue code" means the United States
30 internal revenue code of 1986, as amended, in effect on January 3, 2013,
31 including those provisions that became effective during 2012 with the
32 specific adoption of all federal retroactive effective dates, and
33 including those provisions of the Philippines charitable giving assistance
34 act (P.L. 113-92), the highway and transportation funding act of 2014
35 (P.L. 113-159), the tribal general welfare exclusion act of 2014
36 (P.L. 113-168), the 2014 airline bankruptcy payments rollover act
37 (P.L. 113-243), the tax technical corrections act of 2014 (P.L. 113-295,
38 division A, title II) and the consolidated appropriations act, 2016
39 (P.L. 114-113) that are retroactively effective during taxable years
40 beginning from and after December 31, 2012 through December 31, 2013.

41 ~~H.~~ I. For the purposes of computing income tax pursuant to this
42 title, for taxable years beginning from and after December 31, 2011
43 through December 31, 2012, "internal revenue code" means the United States
44 internal revenue code of 1986, as amended, in effect on January 1, 2012,
45 including those provisions that became effective during 2011 with the

1 specific adoption of all federal retroactive effective dates, and
2 including those provisions of the FAA modernization and reform act of 2012
3 (P.L. 112-95), the moving ahead for progress in the 21st century act
4 (P.L. 112-141), the American taxpayer relief act of 2012 (P.L. 112-240),
5 the 2014 airline bankruptcy payments rollover act (P.L. 113-243), the
6 tribal general welfare exclusion act of 2014 (P.L. 113-168), the tax
7 technical corrections act of 2014 (P.L. 113-295, division A, title II) and
8 the consolidated appropriations act, 2016 (P.L. 114-113) that are
9 retroactively effective during taxable years beginning from and after
10 December 31, 2011 through December 31, 2012.

11 ~~J.~~ J. For the purposes of computing income tax pursuant to this
12 title, for taxable years beginning from and after December 31, 2010
13 through December 31, 2011, "internal revenue code" means the United States
14 internal revenue code of 1986, as amended, in effect on January 1, 2011,
15 including those provisions that became effective during 2010 with the
16 specific adoption of all federal retroactive effective dates, and
17 including those provisions of Public Law 112-40, the moving ahead for
18 progress in the 21st century act (P.L. 112-141), the American taxpayer
19 relief act of 2012 (P.L. 112-240), the tribal general welfare exclusion
20 act of 2014 (P.L. 113-168) and the tax technical corrections act of 2014
21 (P.L. 113-295, division A, title II) that are retroactively effective
22 during taxable years beginning from and after December 31, 2010 through
23 December 31, 2011.

24 ~~K.~~ K. For the purposes of computing income tax pursuant to this
25 title, for taxable years beginning from and after December 31, 2009
26 through December 31, 2010, "internal revenue code" means the United States
27 internal revenue code of 1986, as amended, in effect on January 1, 2010,
28 including those provisions that became effective during 2009 with the
29 specific adoption of all federal retroactive effective dates, and
30 including those provisions of the temporary extension act of 2010
31 (P.L. 111-144), the hiring incentives to restore employment act
32 (P.L. 111-147), the patient protection and affordable care act
33 (P.L. 111-148), the health care and education reconciliation act of 2010
34 (P.L. 111-152), the preservation of access to care for medicare
35 beneficiaries and pension relief act of 2010 (P.L. 111-192), the
36 Dodd-Frank Wall Street reform and consumer protection act (P.L. 111-203),
37 the small business jobs act of 2010 (P.L. 111-240), the claims resolution
38 act of 2010 (P.L. 111-291), the tax relief, unemployment insurance
39 reauthorization, and job creation act of 2010 (P.L. 111-312), the
40 regulated investment company modernization act of 2010 (P.L. 111-325) and
41 the tax technical corrections act of 2014 (P.L. 113-295, division A,
42 title II) that are retroactively effective during taxable years beginning
43 from and after December 31, 2009 through December 31, 2010.

1 ~~K. For purposes of computing income tax pursuant to this title, for~~
2 ~~taxable years beginning from and after December 31, 2008 through~~
3 ~~December 31, 2009, "internal revenue code" means the United States~~
4 ~~internal revenue code of 1986, as amended, in effect on January 1, 2009,~~
5 ~~including those provisions that became effective during 2008 with the~~
6 ~~specific adoption of all federal retroactive effective dates, and~~
7 ~~including those provisions of the American recovery and reinvestment act~~
8 ~~of 2009 (P.L. 111-5) except section 1211, the consumer assistance to~~
9 ~~recycle and save act of 2009 (P.L. 111-32), the worker, homeownership, and~~
10 ~~business assistance act of 2009 (P.L. 111-92) except section 13, the~~
11 ~~hiring incentives to restore employment act (P.L. 111-147), the patient~~
12 ~~protection and affordable care act (P.L. 111-148), the preservation of~~
13 ~~access to care for medicare beneficiaries and pension relief act of 2010~~
14 ~~(P.L. 111-192), the small business jobs act of 2010 (P.L. 111-240), the~~
15 ~~tax relief, unemployment insurance reauthorization, and job creation act~~
16 ~~of 2010 (P.L. 111-312) and the tax technical corrections act of 2014~~
17 ~~(P.L. 113-295, division A, title II) that are retroactively effective~~
18 ~~during taxable years beginning from and after December 31, 2008 through~~
19 ~~December 31, 2009.~~

APPROVED BY THE GOVERNOR MARCH 24, 2020.

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