REFERENCE TITLE: internal revenue code; conformity.

State of Arizona
Senate
Fifty-fifth Legislature
First Regular Session
2021

SB 1397

Introduced by
Senator Livingston

AN ACT

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

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

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

42-1001. Definitions

In this title, unless the context otherwise requires:

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

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

3. "Department" means the department of revenue.

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

5. "Electronically send" or "send electronically" means to send by either email or the use of an electronic portal.

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

7. "Email" means:

(a) An electronic transmission of a message to an email address.

(b) If the message contains confidential information, the electronic transmission of a message to an email address using encryption software that requires the receiver to enter a password before the message can be retrieved and viewed.

8. "Internal revenue code" means the United States internal revenue code of 1986, as amended and in effect as of January 1, ~~2020~~ 2021, including those provisions that became effective during ~~2019~~ 2020 with the specific adoption of their retroactive effective dates but excluding all changes to the code enacted after January 1, ~~2020~~ 2021.

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

43-105. Internal revenue code; definition; application

A. FOR THE PURPOSES OF COMPUTING INCOME TAX PURSUANT TO THIS TITLE, FOR TAXABLE YEARS BEGINNING FROM AND AFTER DECEMBER 31, 2020, "INTERNAL REVENUE CODE" MEANS THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED, IN EFFECT ON JANUARY 1, 2021, INCLUDING THOSE PROVISIONS THAT BECAME EFFECTIVE DURING 2020 WITH THE SPECIFIC ADOPTION OF ALL RETROACTIVE EFFECTIVE DATES, BUT EXCLUDING ANY CHANGES TO THE CODE ENACTED AFTER JANUARY 1, 2021.

~~A.~~ B. For the purposes of computing income tax pursuant to this title, for taxable years beginning from and after December 31, 2019 THROUGH DECEMBER 31, 2020, "internal revenue code" means the United States internal revenue code of 1986, as amended, in effect on January 1, 2020, including those provisions that became effective during 2019 with the specific adoption of all retroactive effective dates~~, but excluding any changes to the code enacted after January 1, 2020~~ AND INCLUDING THOSE PROVISIONS OF THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT

(P.L. 116-136), THE PAYCHECK PROTECTION PROGRAM FLEXIBILITY ACT OF 2020 (P.L. 116-142) AND THE CONSOLIDATED APPROPRIATIONS ACT, 2021 (P.L. 117-___) THAT ARE RETROACTIVELY EFFECTIVE DURING TAXABLE YEARS BEGINNING FROM AND AFTER DECEMBER 31, 2019 THROUGH DECEMBER 31, 2020.

~~B.~~ C. For the purposes of computing income tax pursuant to this title, for taxable years beginning from and after December 31, 2018 through December 31, 2019, "internal revenue code" means the United States internal revenue code of 1986, as amended, in effect on January 1, 2019, including those provisions that became effective during 2018 with the specific adoption of all retroactive effective dates, and including those provisions of the taxpayer first act (P.L. 116-25), ~~and~~ the further consolidated appropriations act, 2020 (P.L. 116-94), THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT (P.L. 116-136) AND THE CONSOLIDATED APPROPRIATIONS ACT, 2021 (P.L. 117-___) that are retroactively effective during taxable years beginning from and after December 31, 2018 through December 31, 2019.

~~C.~~ D. 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), the consolidated appropriations act, 2018 (P.L. 115-141), ~~and~~ the further consolidated appropriations act, 2020 (P.L. 116-94), THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT (P.L. 116-136) AND THE CONSOLIDATED APPROPRIATIONS ACT, 2021 (P.L. 117-___) that are retroactively effective during taxable years beginning from and after December 31, 2017 through December 31, 2018.

~~D.~~ E. 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), the consolidated appropriations act, 2018 (P.L. 115-141), ~~and~~ the further consolidated appropriations act, 2020 (P.L. 116-94) AND THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT (P.L. 116-136) that are retroactively effective during taxable years beginning from and after December 31, 2016 through December 31, 2017.

~~E.~~ F. 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), the consolidated appropriations act, 2018 (P.L. 115-141), ~~and~~ the further consolidated appropriations act, 2020 (P.L. 116-94) AND THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT (P.L. 116-136) that are retroactively effective during taxable years beginning from and after December 31, 2015 through December 31, 2016.

~~F.~~ G. 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 specific adoption of all federal retroactive effective dates, and including those provisions of the slain officer family support act of 2015 (P.L. 114-7), the don't tax our fallen public safety heroes act (P.L. 114-14), the surface transportation and veterans health care choice improvement act of 2015 (P.L. 114-41), the consolidated appropriations act, 2016 (P.L. 114-113), ~~and~~ the consolidated appropriations act, 2018 (P.L. 115-141) AND THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT (P.L. 116-136) that are retroactively effective during taxable years beginning from and after December 31, 2014 through December 31, 2015.

~~G.~~ H. For the purposes of computing income tax pursuant to this title, for taxable years beginning from and after December 31, 2013 through December 31, 2014, "internal revenue code" means the United States internal revenue code of 1986, as amended, in effect on January 1, 2014, including those provisions that became effective during 2013 with the specific adoption of all federal retroactive effective dates, and including those provisions of the Philippines charitable giving assistance act (P.L. 113-92), the Gabriella Miller kids first research act (P.L. 113-94), the cooperative and small employer charity pension flexibility act (P.L. 113-97), the highway and transportation funding act of 2014 (P.L. 113-159), the tribal general welfare exclusion act of 2014 (P.L. 113-168), the consolidated and further continuing appropriations act, 2015 (P.L. 113-235), the 2014 airline bankruptcy payments rollover act (P.L. 113-243), the tax increase prevention act of 2014 (P.L. 113-295), the slain officer family support act of 2015 (P.L. 114-7), ~~and~~ the consolidated appropriations act, 2016 (P.L. 114-113) AND THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT (P.L. 116-136) that are retroactively effective during taxable years beginning from and after December 31, 2013 through December 31, 2014.

~~H.~~ I. For the purposes of computing income tax pursuant to this title, for taxable years beginning from and after December 31, 2012 through December 31, 2013, "internal revenue code" means the United States internal revenue code of 1986, as amended, in effect on January 3, 2013, including those provisions that became effective during 2012 with the specific adoption of all federal retroactive effective dates, and including those provisions of the Philippines charitable giving assistance act (P.L. 113-92), the highway and transportation funding act of 2014 (P.L. 113-159), the tribal general welfare exclusion act of 2014 (P.L. 113-168), the 2014 airline bankruptcy payments rollover act (P.L. 113-243), the tax technical corrections act of 2014 (P.L. 113-295, division A, title II), ~~and~~ the consolidated appropriations act, 2016 (P.L. 114-113) AND THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT (P.L. 116-136) that are retroactively effective during taxable years beginning from and after December 31, 2012 through December 31, 2013.

~~I.~~ J. For the purposes of computing income tax pursuant to this title, for taxable years beginning from and after December 31, 2011 through December 31, 2012, "internal revenue code" means the United States internal revenue code of 1986, as amended, in effect on January 1, 2012, including those provisions that became effective during 2011 with the specific adoption of all federal retroactive effective dates, and including those provisions of the FAA modernization and reform act of 2012 (P.L. 112-95), the moving ahead for progress in the 21st century act (P.L. 112-141), the American taxpayer relief act of 2012 (P.L. 112-240), the 2014 airline bankruptcy payments rollover act (P.L. 113-243), the tribal general welfare exclusion act of 2014 (P.L. 113-168), the tax technical corrections act of 2014 (P.L. 113-295, division A, title II) and the consolidated appropriations act, 2016 (P.L. 114-113) that are retroactively effective during taxable years beginning from and after December 31, 2011 through December 31, 2012.

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

~~K. For the purposes of computing income tax pursuant to this title, for taxable years beginning from and after December 31, 2009 through~~

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