

Senate Engrossed
conformity; internal revenue code

State of Arizona
Senate
Fifty-sixth Legislature
First Regular Session
2023

SENATE BILL 1171

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 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. "Email" means:

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

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

23 8. "Internal revenue code" means the United States internal revenue
24 code of 1986, as amended and in effect as of January 1, ~~2022~~ 2023,
25 including those provisions that became effective during ~~2021~~ 2022 with the
26 specific adoption of their retroactive effective dates but excluding all
27 changes to the code enacted after January 1, ~~2022~~ 2023.

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

30 43-105. Internal revenue code; definition; application

31 A. FOR THE PURPOSES OF COMPUTING INCOME TAX PURSUANT TO THIS TITLE,
32 FOR TAXABLE YEARS BEGINNING FROM AND AFTER DECEMBER 31, 2022, "INTERNAL
33 REVENUE CODE" MEANS THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS
34 AMENDED, IN EFFECT ON JANUARY 1, 2023, INCLUDING THOSE PROVISIONS THAT
35 BECAME EFFECTIVE DURING 2022 WITH THE SPECIFIC ADOPTION OF ALL RETROACTIVE
36 EFFECTIVE DATES, BUT EXCLUDING ANY CHANGES TO THE CODE ENACTED AFTER
37 JANUARY 1, 2023.

38 ~~A.~~ B. For the purposes of computing income tax pursuant to this
39 title, for taxable years beginning from and after December 31, 2021
40 THROUGH DECEMBER 31, 2022, "internal revenue code" means the United States
41 internal revenue code of 1986, as amended, in effect on January 1, 2022,
42 including those provisions that became effective during 2021 with the
43 specific adoption of all retroactive effective dates, ~~but excluding any~~
44 ~~changes to the code enacted after January 1, 2022~~ AND INCLUDING THOSE
45 PROVISIONS OF THE CHIPS AND SCIENCE ACT OF 2022 (P.L. 117-167), INFLATION

1 REDUCTION ACT OF 2022 (P.L. 117-169) AND THE CONSOLIDATED APPROPRIATIONS
2 ACT, 2023 (P.L. 117-328) THAT ARE RETROACTIVELY EFFECTIVE DURING TAXABLE
3 YEARS BEGINNING FROM AND AFTER DECEMBER 31, 2021 THROUGH DECEMBER 31,
4 2022.

5 ~~B.~~ C. For the purposes of computing income tax pursuant to this
6 title, for taxable years beginning from and after December 31, 2020
7 through December 31, 2021, "internal revenue code" means the United States
8 internal revenue code of 1986, as amended, in effect on March 11, 2021,
9 including those provisions that became effective during 2020 with the
10 specific adoption of all retroactive effective dates and including those
11 provisions of the PPP extension act of 2021 (P.L. 117-6) and the
12 infrastructure investment and jobs act (P.L. 117-58) that are
13 retroactively effective during taxable years beginning from and after
14 December 31, 2020 through December 31, 2021.

15 ~~C.~~ D. For the purposes of computing income tax pursuant to this
16 title, for taxable years beginning from and after December 31, 2019
17 through December 31, 2020, "internal revenue code" means the United States
18 internal revenue code of 1986, as amended, in effect on January 1, 2020,
19 including those provisions that became effective during 2019 with the
20 specific adoption of all retroactive effective dates, and including those
21 provisions of the families first coronavirus response act (P.L. 116-127),
22 the coronavirus aid, relief, and economic security act (P.L. 116-136), the
23 paycheck protection program flexibility act of 2020 (P.L. 116-142), the
24 consolidated appropriations act, 2021 (P.L. 116-260) and the American
25 rescue plan act of 2021 (P.L. 117-2) that are retroactively effective
26 during taxable years beginning from and after December 31, 2019 through
27 December 31, 2020.

28 ~~D.~~ E. For the purposes of computing income tax pursuant to this
29 title, for taxable years beginning from and after December 31, 2018
30 through December 31, 2019, "internal revenue code" means the United States
31 internal revenue code of 1986, as amended, in effect on January 1, 2019,
32 including those provisions that became effective during 2018 with the
33 specific adoption of all retroactive effective dates, and including those
34 provisions of the taxpayer first act (P.L. 116-25), the further
35 consolidated appropriations act, 2020 (P.L. 116-94), the coronavirus aid,
36 relief, and economic security act (P.L. 116-136) and the consolidated
37 appropriations act, 2021 (P.L. 116-260) that are retroactively effective
38 during taxable years beginning from and after December 31, 2018 through
39 December 31, 2019.

40 ~~E.~~ F. For the purposes of computing income tax pursuant to this
41 title, for taxable years beginning from and after December 31, 2017
42 through December 31, 2018, "internal revenue code" means the United States
43 internal revenue code of 1986, as amended, in effect on January 1, 2018,
44 including those provisions that became effective during 2017 with the
45 specific adoption of all retroactive effective dates, and including those

1 provisions of the bipartisan budget act of 2018 (P.L. 115-123), the
2 consolidated appropriations act, 2018 (P.L. 115-141), the further
3 consolidated appropriations act, 2020 (P.L. 116-94), the coronavirus aid,
4 relief, and economic security act (P.L. 116-136) and the consolidated
5 appropriations act, 2021 (P.L. 116-260) that are retroactively effective
6 during taxable years beginning from and after December 31, 2017 through
7 December 31, 2018.

8 ~~F.~~ G. For the purposes of computing income tax pursuant to this
9 title, for taxable years beginning from and after December 31, 2016
10 through December 31, 2017, "internal revenue code" means the United States
11 internal revenue code of 1986, as amended, in effect on January 1, 2017,
12 including those provisions that became effective during 2016 with the
13 specific adoption of all federal retroactive effective dates, and
14 including those provisions of the disaster tax relief and airport and
15 airway extension act of 2017 (P.L. 115-63), the tax cuts and jobs act
16 (P.L. 115-97), the bipartisan budget act of 2018 (P.L. 115-123), the
17 consolidated appropriations act, 2018 (P.L. 115-141), the further
18 consolidated appropriations act, 2020 (P.L. 116-94) and the coronavirus
19 aid, relief, and economic security act (P.L. 116-136) that are
20 retroactively effective during taxable years beginning from and after
21 December 31, 2016 through December 31, 2017.

22 ~~G.~~ H. For the purposes of computing income tax pursuant to this
23 title, for taxable years beginning from and after December 31, 2015
24 through December 31, 2016, "internal revenue code" means the United States
25 internal revenue code of 1986, as amended, in effect on January 1, 2016,
26 including those provisions that became effective during 2015 with the
27 specific adoption of all federal retroactive effective dates, and
28 including those provisions of the United States appreciation for olympians
29 and paralympians act of 2016 (P.L. 114-239), the tax cuts and jobs act
30 (P.L. 115-97), the consolidated appropriations act, 2018 (P.L. 115-141),
31 the further consolidated appropriations act, 2020 (P.L. 116-94) and the
32 coronavirus aid, relief, and economic security act (P.L. 116-136) that are
33 retroactively effective during taxable years beginning from and after
34 December 31, 2015 through December 31, 2016.

35 ~~H.~~ I. For the purposes of computing income tax pursuant to this
36 title, for taxable years beginning from and after December 31, 2014
37 through December 31, 2015, "internal revenue code" means the United States
38 internal revenue code of 1986, as amended, in effect on January 1, 2015,
39 including those provisions that became effective during 2014 with the
40 specific adoption of all federal retroactive effective dates, and
41 including those provisions of the slain officer family support act of 2015
42 (P.L. 114-7), the don't tax our fallen public safety heroes act
43 (P.L. 114-14), the surface transportation and veterans health care choice
44 improvement act of 2015 (P.L. 114-41), the consolidated appropriations
45 act, 2016 (P.L. 114-113), the consolidated appropriations act, 2018

1 (P.L. 115-141) and the coronavirus aid, relief, and economic security act
2 (P.L. 116-136) that are retroactively effective during taxable years
3 beginning from and after December 31, 2014 through December 31, 2015.

4 ~~†~~ J. For the purposes of computing income tax pursuant to this
5 title, for taxable years beginning from and after December 31, 2013
6 through December 31, 2014, "internal revenue code" means the United States
7 internal revenue code of 1986, as amended, in effect on January 1, 2014,
8 including those provisions that became effective during 2013 with the
9 specific adoption of all federal retroactive effective dates, and
10 including those provisions of the Philippines charitable giving assistance
11 act (P.L. 113-92), the Gabriella Miller kids first research act
12 (P.L. 113-94), the cooperative and small employer charity pension
13 flexibility act (P.L. 113-97), the highway and transportation funding act
14 of 2014 (P.L. 113-159), the tribal general welfare exclusion act of 2014
15 (P.L. 113-168), the consolidated and further continuing appropriations
16 act, 2015 (P.L. 113-235), the 2014 airline bankruptcy payments rollover
17 act (P.L. 113-243), the tax increase prevention act of 2014
18 (P.L. 113-295), the slain officer family support act of 2015 (P.L. 114-7),
19 the consolidated appropriations act, 2016 (P.L. 114-113) and the
20 coronavirus aid, relief, and economic security act (P.L. 116-136) that are
21 retroactively effective during taxable years beginning from and after
22 December 31, 2013 through December 31, 2014.

23 ~~†~~ K. For the purposes of computing income tax pursuant to this
24 title, for taxable years beginning from and after December 31, 2012
25 through December 31, 2013, "internal revenue code" means the United States
26 internal revenue code of 1986, as amended, in effect on January 3, 2013,
27 including those provisions that became effective during 2012 with the
28 specific adoption of all federal retroactive effective dates, and
29 including those provisions of the Philippines charitable giving assistance
30 act (P.L. 113-92), the highway and transportation funding act of 2014
31 (P.L. 113-159), the tribal general welfare exclusion act of 2014
32 (P.L. 113-168), the 2014 airline bankruptcy payments rollover act
33 (P.L. 113-243), the tax technical corrections act of 2014 (P.L. 113-295,
34 division A, title II), the consolidated appropriations act, 2016
35 (P.L. 114-113) and the coronavirus aid, relief, and economic security act
36 (P.L. 116-136) that are retroactively effective during taxable years
37 beginning from and after December 31, 2012 through December 31, 2013.

38 ~~K. For the purposes of computing income tax pursuant to this title,
39 for taxable years beginning from and after December 31, 2011 through
40 December 31, 2012, "internal revenue code" means the United States
41 internal revenue code of 1986, as amended, in effect on January 1, 2012,
42 including those provisions that became effective during 2011 with the
43 specific adoption of all federal retroactive effective dates, and
44 including those provisions of the FAA modernization and reform act of 2012
45 (P.L. 112-95), the moving ahead for progress in the 21st century act~~

1 ~~(P.L. 112-141), the American taxpayer relief act of 2012 (P.L. 112-240),~~
2 ~~the 2014 airline bankruptcy payments rollover act (P.L. 113-243), the~~
3 ~~tribal general welfare exclusion act of 2014 (P.L. 113-168), the tax~~
4 ~~technical corrections act of 2014 (P.L. 113-295, division A, title II) and~~
5 ~~the consolidated appropriations act, 2016 (P.L. 114-113) that are~~
6 ~~retroactively effective during taxable years beginning from and after~~
7 ~~December 31, 2011 through December 31, 2012.~~