

REFERENCE TITLE: internal revenue code; conformity

State of Arizona
Senate
Fifty-seventh Legislature
First Regular Session
2025

SB 1222

Introduced by
Senator Mesnard

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, ~~2024~~ 2025, including those provisions that became effective during ~~2023~~ 2024 with the specific adoption of their retroactive effective dates but excluding all changes to the code enacted after January 1, ~~2024~~ 2025.

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, 2024, "INTERNAL REVENUE CODE" MEANS THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED, IN EFFECT ON JANUARY 1, 2025, INCLUDING THOSE PROVISIONS THAT BECAME EFFECTIVE DURING 2024 WITH THE SPECIFIC ADOPTION OF ALL RETROACTIVE EFFECTIVE DATES, BUT EXCLUDING ANY CHANGES TO THE CODE ENACTED AFTER JANUARY 1, 2025.

~~A.~~ B. For the purposes of computing income tax pursuant to this title, for taxable years beginning from and after December 31, 2023 THROUGH DECEMBER 31, 2024, "internal revenue code" means the United States internal revenue code of 1986, as amended, in effect on January 1, 2024, including those provisions that became effective during 2023 with the specific adoption of all retroactive effective dates, ~~but excluding any changes to the code enacted after January 1, 2024~~ AND INCLUDING THOSE

1 PROVISIONS THAT ARE RETROACTIVELY EFFECTIVE DURING TAXABLE YEARS BEGINNING
2 FROM AND AFTER DECEMBER 31, 2023 THROUGH DECEMBER 31, 2024.

3 ~~B.~~ C. For the purposes of computing income tax pursuant to this
4 title, for taxable years beginning from and after December 31,
5 2022 through December 31, 2023, "internal revenue code" means the United
6 States internal revenue code of 1986, as amended, in effect on January 1,
7 2023, including those provisions that became effective during 2022 with
8 the specific adoption of all retroactive effective dates, and including
9 those provisions that are retroactively effective during taxable years
10 beginning from and after December 31, 2022 through December 31, 2023.

11 ~~C.~~ D. For the purposes of computing income tax pursuant to this
12 title, for taxable years beginning from and after December 31, 2021
13 through December 31, 2022, "internal revenue code" means the United States
14 internal revenue code of 1986, as amended, in effect on January 1, 2022,
15 including those provisions that became effective during 2021 with the
16 specific adoption of all retroactive effective dates, and including those
17 provisions of the chips and science act of 2022 (P.L. 117-167), the
18 inflation reduction act of 2022 (P.L. 117-169) and the consolidated
19 appropriations act, 2023 (P.L. 117-328) that are retroactively effective
20 during taxable years beginning from and after December 31, 2021 through
21 December 31, 2022.

22 ~~D.~~ E. For the purposes of computing income tax pursuant to this
23 title, for taxable years beginning from and after December 31, 2020
24 through December 31, 2021, "internal revenue code" means the United States
25 internal revenue code of 1986, as amended, in effect on March 11, 2021,
26 including those provisions that became effective during 2020 with the
27 specific adoption of all retroactive effective dates and including those
28 provisions of the PPP extension act of 2021 (P.L. 117-6) and the
29 infrastructure investment and jobs act (P.L. 117-58) that are
30 retroactively effective during taxable years beginning from and after
31 December 31, 2020 through December 31, 2021.

32 ~~E.~~ F. For the purposes of computing income tax pursuant to this
33 title, for taxable years beginning from and after December 31, 2019
34 through December 31, 2020, "internal revenue code" means the United States
35 internal revenue code of 1986, as amended, in effect on January 1, 2020,
36 including those provisions that became effective during 2019 with the
37 specific adoption of all retroactive effective dates, and including those
38 provisions of the families first coronavirus response act (P.L. 116-127),
39 the coronavirus aid, relief, and economic security act (P.L. 116-136), the
40 paycheck protection program flexibility act of 2020 (P.L. 116-142), the
41 consolidated appropriations act, 2021 (P.L. 116-260) and the American
42 rescue plan act of 2021 (P.L. 117-2) that are retroactively effective
43 during taxable years beginning from and after December 31, 2019 through
44 December 31, 2020.

1 ~~F.~~ G. For the purposes of computing income tax pursuant to this
2 title, for taxable years beginning from and after December 31, 2018
3 through December 31, 2019, "internal revenue code" means the United States
4 internal revenue code of 1986, as amended, in effect on January 1, 2019,
5 including those provisions that became effective during 2018 with the
6 specific adoption of all retroactive effective dates, and including those
7 provisions of the taxpayer first act (P.L. 116-25), the further
8 consolidated appropriations act, 2020 (P.L. 116-94), the coronavirus aid,
9 relief, and economic security act (P.L. 116-136) and the consolidated
10 appropriations act, 2021 (P.L. 116-260) that are retroactively effective
11 during taxable years beginning from and after December 31, 2018 through
12 December 31, 2019.

13 ~~G.~~ H. For the purposes of computing income tax pursuant to this
14 title, for taxable years beginning from and after December 31, 2017
15 through December 31, 2018, "internal revenue code" means the United States
16 internal revenue code of 1986, as amended, in effect on January 1, 2018,
17 including those provisions that became effective during 2017 with the
18 specific adoption of all retroactive effective dates, and including those
19 provisions of the bipartisan budget act of 2018 (P.L. 115-123), the
20 consolidated appropriations act, 2018 (P.L. 115-141), the further
21 consolidated appropriations act, 2020 (P.L. 116-94), the coronavirus aid,
22 relief, and economic security act (P.L. 116-136) and the consolidated
23 appropriations act, 2021 (P.L. 116-260) that are retroactively effective
24 during taxable years beginning from and after December 31, 2017 through
25 December 31, 2018.

26 ~~H.~~ I. For the purposes of computing income tax pursuant to this
27 title, for taxable years beginning from and after December 31, 2016
28 through December 31, 2017, "internal revenue code" means the United States
29 internal revenue code of 1986, as amended, in effect on January 1, 2017,
30 including those provisions that became effective during 2016 with the
31 specific adoption of all federal retroactive effective dates, and
32 including those provisions of the disaster tax relief and airport and
33 airway extension act of 2017 (P.L. 115-63), the tax cuts and jobs act
34 (P.L. 115-97), the bipartisan budget act of 2018 (P.L. 115-123), the
35 consolidated appropriations act, 2018 (P.L. 115-141), the further
36 consolidated appropriations act, 2020 (P.L. 116-94) and the coronavirus
37 aid, relief, and economic security act (P.L. 116-136) that are
38 retroactively effective during taxable years beginning from and after
39 December 31, 2016 through December 31, 2017.

40 ~~I.~~ J. For the purposes of computing income tax pursuant to this
41 title, for taxable years beginning from and after December 31, 2015
42 through December 31, 2016, "internal revenue code" means the United States
43 internal revenue code of 1986, as amended, in effect on January 1, 2016,
44 including those provisions that became effective during 2015 with the
45 specific adoption of all federal retroactive effective dates, and

1 including those provisions of the United States appreciation for olympians
2 and paralympians act of 2016 (P.L. 114-239), the tax cuts and jobs act
3 (P.L. 115-97), the consolidated appropriations act, 2018 (P.L. 115-141),
4 the further consolidated appropriations act, 2020 (P.L. 116-94) and the
5 coronavirus aid, relief, and economic security act (P.L. 116-136) that are
6 retroactively effective during taxable years beginning from and after
7 December 31, 2015 through December 31, 2016.

8 ~~+~~ K. For the purposes of computing income tax pursuant to this
9 title, for taxable years beginning from and after December 31, 2014
10 through December 31, 2015, "internal revenue code" means the United States
11 internal revenue code of 1986, as amended, in effect on January 1, 2015,
12 including those provisions that became effective during 2014 with the
13 specific adoption of all federal retroactive effective dates, and
14 including those provisions of the slain officer family support act of 2015
15 (P.L. 114-7), the don't tax our fallen public safety heroes act
16 (P.L. 114-14), the surface transportation and veterans health care choice
17 improvement act of 2015 (P.L. 114-41), the consolidated appropriations
18 act, 2016 (P.L. 114-113), the consolidated appropriations act, 2018
19 (P.L. 115-141) and the coronavirus aid, relief, and economic security act
20 (P.L. 116-136) that are retroactively effective during taxable years
21 beginning from and after December 31, 2014 through December 31, 2015.

22 ~~K. For the purposes of computing income tax pursuant to this title,~~
23 ~~for taxable years beginning from and after December 31, 2013 through~~
24 ~~December 31, 2014, "internal revenue code" means the United States~~
25 ~~internal revenue code of 1986, as amended, in effect on January 1, 2014,~~
26 ~~including those provisions that became effective during 2013 with the~~
27 ~~specific adoption of all federal retroactive effective dates, and~~
28 ~~including those provisions of the Philippines charitable giving assistance~~
29 ~~act (P.L. 113-92), the Gabriella Miller kids first research act~~
30 ~~(P.L. 113-94), the cooperative and small employer charity pension~~
31 ~~flexibility act (P.L. 113-97), the highway and transportation funding act~~
32 ~~of 2014 (P.L. 113-159), the tribal general welfare exclusion act of 2014~~
33 ~~(P.L. 113-168), the consolidated and further continuing appropriations~~
34 ~~act, 2015 (P.L. 113-235), the 2014 airline bankruptcy payments rollover~~
35 ~~act (P.L. 113-243), the tax increase prevention act of 2014~~
36 ~~(P.L. 113-295), the slain officer family support act of 2015 (P.L. 114-7),~~
37 ~~the consolidated appropriations act, 2016 (P.L. 114-113) and the~~
38 ~~coronavirus aid, relief, and economic security act (P.L. 116-136) that are~~
39 ~~retroactively effective during taxable years beginning from and after~~
40 ~~December 31, 2013 through December 31, 2014.~~