

REFERENCE TITLE: corporate income tax; disclosure; database

State of Arizona
House of Representatives
Fifty-seventh Legislature
Second Regular Session
2026

HB 2487

Introduced by
Representatives De Los Santos: Garcia, Travers

AN ACT

AMENDING TITLE 10, CHAPTER 1, ARTICLE 3, ARIZONA REVISED STATUTES, BY
ADDING SECTION 10-131; RELATING TO CORPORATIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 10, chapter 1, article 3, Arizona Revised
3 Statutes, is amended by adding section 10-131, to read:

4 10-131. Corporate disclosure statements; database; penalties;
5 rules; definitions

6 A. EACH YEAR A PUBLICLY TRADED CORPORATION, INCLUDING A CORPORATION
7 TRADED ON A FOREIGN STOCK EXCHANGE AND A CORPORATION WITH FIFTY PERCENT OR
8 MORE OF THE VOTING STOCK THAT IS OWNED, DIRECTLY OR INDIRECTLY, BY A
9 PUBLICLY TRADED CORPORATION AND THAT DOES BUSINESS IN THIS STATE, SHALL
10 FILE THE STATEMENT DESCRIBED IN SUBSECTION B OF THIS SECTION WITH THE
11 COMMISSION. THE CORPORATION SHALL FILE THE STATEMENT NOT MORE THAN THIRTY
12 DAYS AFTER THE TAX RETURN REQUIRED BY TITLE 43, CHAPTER 3 IS DUE. IF THE
13 CORPORATION IS NOT REQUIRED TO FILE A TAX RETURN IN THIS STATE, THE
14 CORPORATION SHALL FILE THE STATEMENT WITHIN NINETY DAYS AFTER FILING THE
15 CORPORATION'S FEDERAL TAX RETURN, INCLUDING A CORPORATION'S INCLUSION IN A
16 FEDERAL CONSOLIDATED RETURN.

17 B. THE STATEMENT MUST CONTAIN THE FOLLOWING:

18 1. THE NAME OF THE CORPORATION AND THE STREET ADDRESS OF THE
19 CORPORATION'S PRINCIPAL OFFICE.

20 2. THE NAME OF ANY CORPORATION THAT OWNS, DIRECTLY OR INDIRECTLY,
21 FIFTY PERCENT OR MORE OF THE VOTING STOCK OF THE CORPORATION AND THE
22 STREET ADDRESS OF THAT CORPORATION'S PRINCIPAL EXECUTIVE OFFICE IF
23 DIFFERENT FROM THE ADDRESS PROVIDED PURSUANT TO PARAGRAPH 1 OF THIS
24 SUBSECTION.

25 3. THE CORPORATION'S FOUR DIGIT NORTH AMERICAN INDUSTRY
26 CLASSIFICATION SYSTEM CODE NUMBER.

27 4. A UNIQUE CODE NUMBER, ASSIGNED BY THE COMMISSION, TO IDENTIFY
28 THE CORPORATION. THAT UNIQUE CODE NUMBER SHALL REMAIN CONSTANT FROM YEAR
29 TO YEAR.

30 5. THE FOLLOWING INFORMATION REPORTED ON OR USED IN PREPARING THE
31 CORPORATION'S TAX RETURN FILED UNDER THE REQUIREMENTS OF TITLE 43, CHAPTER
32 3, OR, IN THE CASE OF A CORPORATION NOT REQUIRED TO FILE A TAX RETURN IN
33 THIS STATE, THE INFORMATION THAT WOULD BE REQUIRED TO BE REPORTED ON OR
34 USED IN PREPARING THE TAX RETURN IF THE CORPORATION WAS REQUIRED TO FILE A
35 TAX RETURN:

36 (a) THE AMOUNT OF ARIZONA GROSS INCOME OF THE UNITARY GROUP OF
37 WHICH THE CORPORATION IS A MEMBER.

38 (b) THE TOTAL COST-OF-GOODS-SOLD CLAIMED AS A DEDUCTION FROM
39 ARIZONA GROSS INCOME BY THE UNITARY GROUP OF WHICH THE CORPORATION IS A
40 MEMBER.

41 (c) THE AMOUNT OF ARIZONA TAXABLE INCOME OF THE UNITARY GROUP OF
42 WHICH THE CORPORATION IS A MEMBER BEFORE NET OPERATING LOSS DEDUCTIONS OR
43 APPORTIONMENT.

44 (d) THE PROPERTY, PAYROLL AND SALES APPORTIONMENT FACTORS OF THE
45 CORPORATION AS CALCULATED ON THE COMBINED REPORT.

1 (e) THE CALCULATED OVERALL APPORTIONMENT FACTOR IN THIS STATE FOR
2 THE CORPORATION AS CALCULATED ON THE COMBINED REPORT.

3 (f) THE TOTAL BUSINESS INCOME OF THE CORPORATION APPORTIONED TO
4 THIS STATE.

5 (g) THE NET OPERATING LOSS DEDUCTION, IF ANY, OF THE CORPORATION
6 APPORTIONED TO THIS STATE.

7 (h) THE TOTAL NON-BUSINESS INCOME OF THE CORPORATION AND THE AMOUNT
8 OF NON-BUSINESS INCOME ALLOCATED TO THIS STATE.

9 (i) ARIZONA TAXABLE INCOME OF THE CORPORATION.

10 (j) THE TOTAL TAX DUE BEFORE CLAIMING ANY TAX CREDITS.

11 (k) THE TAX CREDITS CLAIMED, EACH CREDIT INDIVIDUALLY ENUMERATED.

12 (l) THE ALTERNATIVE MINIMUM TAX.

13 (m) THE AMOUNT TAX DUE.

14 (n) THE AMOUNT OF TAX PAID.

15 (o) THE AMOUNT OF TAX DUE PAID UNDER PROTEST, IF APPLICABLE.

16 6. THE FOLLOWING ADDITIONAL INFORMATION:

17 (a) THE TOTAL AMOUNT OF DEDUCTIONS FOR MANAGEMENT SERVICES FEES,
18 RENT AND ROYALTIES AND INTEREST, LICENSE FEES AND SIMILAR PAYMENTS FOR THE
19 USE OF INTANGIBLE PROPERTY PAID TO ANY AFFILIATED ENTITY THAT IS NOT
20 INCLUDED IN THE UNITARY GROUP THAT INCLUDES THE CORPORATION AND THE NAMES
21 AND PRINCIPAL OFFICE ADDRESSES OF THE ENTITIES TO WHICH THE PAYMENTS WERE
22 MADE.

23 (b) THE SALES FACTOR THAT WOULD BE CALCULATED FOR THIS STATE ON THE
24 COMBINED REPORT IF THE CORPORATION WERE REQUIRED TO TREAT AS SALES IN THIS
25 STATE SALES OF TANGIBLE PERSONAL PROPERTY TO THE FEDERAL GOVERNMENT AND
26 SALES OF TANGIBLE PERSONAL PROPERTY SHIPPED OR DELIVERED TO A CUSTOMER IN
27 A STATE IN WHICH THE SELLING CORPORATION IS NOT SUBJECT TO A STATE
28 CORPORATE INCOME TAX OR STATE FRANCHISE TAX MEASURED BY NET INCOME OR
29 COULD NOT BE SUBJECTED TO SUCH A TAX WERE THE STATE TO IMPOSE IT.

30 (c) A DESCRIPTION OF THE SOURCE OF ANY NONBUSINESS INCOME REPORTED
31 ON THE RETURN AND THE IDENTIFICATION OF THE STATES TO WHICH SUCH INCOME
32 WAS REPORTED.

33 (d) A LISTING OF ALL CORPORATIONS INCLUDED IN THE UNITARY GROUP
34 THAT INCLUDES THE CORPORATION, THE CORPORATIONS' STATE IDENTIFICATION
35 NUMBERS ASSIGNED UNDER THIS SECTION, IF APPLICABLE, AND A LISTING OF ALL
36 VARIATIONS IN THE UNITARY GROUP THAT INCLUDES THE CORPORATION USED IN
37 FILING CORPORATE INCOME OR FRANCHISE TAX RETURNS IN ANY OF THE FOLLOWING
38 STATES: ALASKA, CALIFORNIA, COLORADO, HAWAII, IDAHO, ILLINOIS, KANSAS,
39 MAINE, MINNESOTA, MONTANA, NEBRASKA, NEW HAMPSHIRE, NORTH DAKOTA, OREGON,
40 UTAH OR VERMONT.

41 (e) FULL-TIME-EQUIVALENT EMPLOYMENT OF THE CORPORATION IN THIS
42 STATE ON THE LAST DAY OF THE TAX YEAR FOR WHICH THE RETURN IS BEING FILED
43 AND FOR THE THREE PREVIOUS TAX YEARS.

44 (f) IN THE CASE OF A PUBLICLY TRADED CORPORATION INCORPORATED IN
45 THE UNITED STATES OR THE AFFILIATE OF THE PUBLICLY TRADED CORPORATION,

1 PROFITS BEFORE TAX REPORTED ON THE SECURITIES AND EXCHANGE COMMISSION FORM
2 10-K FOR THE CORPORATION OR THE CONSOLIDATED GROUP OF WHICH THE
3 CORPORATION IS A MEMBER FOR THE CORPORATE FISCAL YEAR THAT CONTAINS THE
4 LAST DAY OF THE TAX YEAR FOR WHICH THE RETURN IS FILED.

5 (g) ACCUMULATED TAX CREDIT CARRYOVERS, ENUMERATED BY CREDIT.

6 7. ANY OTHER SUPPLEMENTAL INFORMATION THAT IN THE CORPORATION'S
7 SOLE JUDGMENT COULD FACILITATE PROPER INTERPRETATION OF THE INFORMATION
8 INCLUDED IN THE STATEMENT.

9 C. IN LIEU OF THE STATEMENT DESCRIBED IN SUBSECTION B OF THIS
10 SECTION, A CORPORATION DOING BUSINESS IN THIS STATE BUT NOT REQUIRED TO
11 FILE A TAX RETURN UNDER THE REQUIREMENTS OF TITLE 43, CHAPTER 3 MAY ELECT
12 TO FILE AN ALTERNATIVE STATEMENT WITH THE COMMISSION THAT CONTAINS ALL OF
13 THE FOLLOWING:

14 1. THE INFORMATION DESCRIBED IN SUBSECTION B, PARAGRAPHS 1, 2, 3
15 AND 4.

16 2. AN EXPLANATION OF WHY THE CORPORATION IS NOT REQUIRED TO FILE A
17 CORPORATE INCOME TAX RETURN IN THIS STATE.

18 3. IDENTIFICATION OF WHICH OF THE FOLLOWING RANGES THE
19 CORPORATION'S TOTAL GROSS RECEIPTS FROM SALES TO PURCHASERS IN THIS STATE
20 FELL IN THE TAX YEAR FOR WHICH THE ALTERNATIVE STATEMENT IS FILED:

21 (a) LESS THAN \$10,000,000.

22 (b) \$10,000,001 TO \$50,000,000.

23 (c) \$50,000,001 TO \$100,000,000.

24 (d) \$100,000,001 TO \$250,000,000.

25 (e) \$250,000,001 OR MORE.

26 4. ANY OTHER SUPPLEMENTAL INFORMATION THAT IN THE CORPORATION'S
27 SOLE JUDGMENT COULD FACILITATE PROPER INTERPRETATION OF THE INFORMATION
28 INCLUDED IN THE STATEMENT.

29 D. IF A CORPORATION FILES AN AMENDED TAX RETURN, THE CORPORATION
30 SHALL FILE A REVISED STATEMENT UNDER THIS SECTION WITHIN SIXTY CALENDAR
31 DAYS AFTER THE AMENDED RETURN IS FILED. IF A CORPORATION'S TAX LIABILITY
32 FOR A TAX YEAR IS CHANGED AS THE RESULT OF AN UNCONTESTED AUDIT ADJUSTMENT
33 OR FINAL DETERMINATION OF LIABILITY BY THE STATE BOARD OF TAX APPEALS AS
34 PROVIDED FOR IN SECTION 42-1253 OR BY A COURT OF LAW AS PROVIDED FOR IN
35 SECTION 42-1254, THE CORPORATION SHALL FILE A REVISED STATEMENT UNDER THIS
36 SECTION WITHIN SIXTY CALENDAR DAYS OF THE FINAL DETERMINATION OF
37 LIABILITY.

38 E. THE STATEMENTS REQUIRED UNDER THIS SECTION ARE PUBLIC RECORDS.
39 THE COMMISSION SHALL MAKE THE STATEMENTS REQUIRED UNDER THIS SECTION
40 AVAILABLE TO THE PUBLIC ON AN ONGOING BASIS IN THE FORM OF A SEARCHABLE
41 DATABASE ON THE COMMISSION'S WEBSITE. THE COMMISSION SHALL MAKE
42 AVAILABLE, AND MAY CHARGE A FEE TO PROVIDE COPIES ON APPROPRIATE
43 COMPUTER-READABLE MEDIA OF THE ENTIRE DATABASE FOR, STATEMENTS FILED
44 DURING EACH CALENDAR YEAR, INCLUDING HARD COPIES OF AN INDIVIDUAL ANNUAL
45 STATEMENT FOR A SPECIFIC CORPORATION. STATEMENTS REQUIRED UNDER THIS

1 SECTION FOR A PARTICULAR TAX YEAR SHALL BE PUBLICLY AVAILABLE UNTIL THE
2 FIRST DAY OF THE THIRD CALENDAR YEAR AFTER THE CALENDAR YEAR IN WHICH THE
3 PARTICULAR TAX YEAR ENDS.

4 F. THE ACCURACY OF THE STATEMENTS REQUIRED UNDER THIS SECTION SHALL
5 BE ATTESTED TO IN WRITING BY THE CHIEF OPERATING OFFICER OF THE
6 CORPORATION AND ARE SUBJECT TO AUDIT BY THE DEPARTMENT OF REVENUE AS THE
7 AGENT OF THE COMMISSION IN THE COURSE OF AND UNDER THE NORMAL PROCEDURES
8 APPLICABLE TO CORPORATE INCOME TAX RETURN AUDITS. THE COMMISSION SHALL
9 DEVELOP AND IMPLEMENT AN OVERSIGHT AND PENALTY SYSTEM THAT IS APPLICABLE
10 TO BOTH THE CHIEF OPERATING OFFICER OF THE CORPORATION AND THE CORPORATION
11 ITSELF TO ENSURE THAT CORPORATIONS DOING BUSINESS IN THIS STATE, INCLUDING
12 THOSE NOT REQUIRED TO FILE A RETURN IN THIS STATE, SHALL PROVIDE THE
13 REQUIRED ATTESTATION AND DISCLOSURE STATEMENTS IN A TIMELY AND ACCURATE
14 MANNER. THE COMMISSION SHALL PUBLISH THE NAME AND PENALTY IMPOSED ON ANY
15 CORPORATION SUBJECT TO A PENALTY FOR FAILING TO FILE THE REQUIRED
16 STATEMENT OR FILING AN INACCURATE STATEMENT.

17 G. THE COMMISSION SHALL ADOPT RULES AND PUBLISH AND PRESCRIBE FORMS
18 AND PROCEDURES AS NECESSARY TO ADMINISTER THIS SECTION.

19 H. FOR THE PURPOSES OF THIS SECTION:

20 1. "CORPORATION":

21 (a) MEANS ANY ENTITY SUBJECT TO THE TAX IMPOSED BY TITLE 43,
22 CHAPTER 11 OR SECTION 11 OF THE INTERNAL REVENUE CODE.

23 (b) DOES NOT INCLUDE A QUALIFIED PERSONAL SERVICE CORPORATION AS
24 DEFINED IN SECTION 448 OF THE INTERNAL REVENUE CODE.

25 2. "DOING BUSINESS IN THIS STATE" MEANS ANY OF THE FOLLOWING:

26 (a) OWNING OR RENTING REAL OR TANGIBLE PERSONAL PROPERTY THAT IS
27 PHYSICALLY LOCATED IN THIS STATE.

28 (b) HAVING EMPLOYEES, AGENTS OR REPRESENTATIVES ACTING ON THE
29 CORPORATION'S BEHALF IN THIS STATE.

30 (c) MAKING SALES OF TANGIBLE PERSONAL PROPERTY TO PURCHASERS THAT
31 TAKE POSSESSION OF THAT PROPERTY IN THIS STATE.

32 (d) PERFORMING SERVICES FOR CUSTOMERS LOCATED IN THIS STATE.

33 (e) PERFORMING SERVICES IN THIS STATE.

34 (f) EARNING INCOME FROM INTANGIBLE PROPERTY THAT HAS A BUSINESS
35 SITUS IN THIS STATE.

36 (g) ENGAGING IN REGULAR AND SYSTEMATIC SOLICITATION OF SALES IN
37 THIS STATE.

38 (h) BEING A PARTNER IN A PARTNERSHIP ENGAGED IN ANY OF THE
39 ACTIVITIES DESCRIBED IN SUBDIVISIONS (a) THROUGH (g) OF THIS PARAGRAPH.

40 (i) BEING A MEMBER OF A LIMITED LIABILITY COMPANY ENGAGED IN ANY OF
41 THE ACTIVITIES DESCRIBED IN SUBDIVISIONS (a) THROUGH (g) OF THIS
42 PARAGRAPH.