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REFERENCE TITLE: cash transactions; mandatory rounding method

State of Arizona
Senate
Fifty-seventh Legislature
Second Regular Session
2026

SB 1108

Introduced by
Senator Kavanagh

AN ACT

AMENDING TITLE 44, CHAPTER 38, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 44-7952; RELATING TO CASH TRANSACTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Heading change

The chapter heading of title 44, chapter 38, Arizona Revised Statutes, is changed from "BUSINESSES EXEMPT FROM MASK MANDATE" to "BUSINESSES GENERALLY".

Sec. 2. Title 44, chapter 38, article 1, Arizona Revised Statutes, is amended by adding section 44-7952, to read:

44-7952. Cash transactions; mandatory rounding of transaction totals; notice; enforcement

A. IF ONE-CENT COINS ARE NOT AVAILABLE OR ARE NOT USED BY A SELLER AT A POINT OF SALE, THE SELLER SHALL APPLY SWEDISH ROUNDING TO A TOTAL TRANSACTION AMOUNT THAT ROUNDS THE TOTAL TRANSACTION AMOUNT TO THE NEAREST FIVE-CENT INCREMENT. IF A TOTAL TRANSACTION AMOUNT ENDS:

1. IN ONE OR TWO CENTS, THE TOTAL TRANSACTION AMOUNT IS ROUNDED DOWN TO THE NEAREST MULTIPLE OF FIVE CENTS.

2. IN THREE OR FOUR CENTS, THE TOTAL TRANSACTION AMOUNT IS ROUNDED UP TO THE NEAREST MULTIPLE OF FIVE CENTS.

3. IN SIX OR SEVEN CENTS, THE TOTAL TRANSACTION AMOUNT IS ROUNDED DOWN TO THE NEAREST MULTIPLE OF FIVE CENTS.

4. IN EIGHT OR NINE CENTS, THE TOTAL TRANSACTION AMOUNT IS ROUNDED UP TO THE NEAREST MULTIPLE OF FIVE CENTS.

B. SWEDISH ROUNDING APPLIES TO A FINAL TOTAL TRANSACTION AMOUNT OF A CASH TRANSACTION AFTER TAXES, FEES AND OTHER CHARGES ARE CALCULATED.

C. SWEDISH ROUNDING DOES NOT APPLY TO:

1. THE SALE OF AN INDIVIDUAL ITEM.

2. A TRANSACTION THAT IS PAID BY A CREDIT CARD, DEBIT CARD, ELECTRONIC FUNDS TRANSFER, MOBILE PAYMENT APPLICATION OR OTHER NON-CASH PAYMENT METHOD.

D. A SELLER THAT IS SUBJECT TO THIS SECTION SHALL POST A NOTICE THAT IS VISIBLE TO CUSTOMERS AT THE POINT OF SALE STATING "CASH TRANSACTIONS ARE ROUNDED TO THE NEAREST FIVE-CENT INCREMENT PURSUANT TO STATE LAW".

E. A SELLER MAY NOT APPLY A ROUNDING METHOD OTHER THAN SWEDISH ROUNDING.

F. THIS SECTION SHALL BE ENFORCED BY THE WEIGHTS AND MEASURES SERVICES DIVISION OF THE ARIZONA DEPARTMENT OF AGRICULTURE PURSUANT TO TITLE 3, CHAPTER 19. THE DIVISION MAY ISSUE WARNINGS AND ORDERS AND IMPOSE CIVIL PENALTIES IN ADDITION TO OTHER ENFORCEMENT MEASURES.

G. THIS SECTION IS INTENDED TO OPERATE CONSISTENTLY WITH FEDERAL LAW THAT GOVERNS UNITED STATES COINAGE AND LEGAL TENDER.

H. THIS SECTION DOES NOT:

1. DECLARE ANY COIN OR CURRENCY INVALID AS LEGAL TENDER.

2. REQUIRE ACCEPTANCE OR REFUSAL OF ANY SPECIFIC DENOMINATION OF THE UNITED STATES COIN OR CURRENCY.

3. PREEMPT, CONFLICT WITH OR SUPERSEDE ANY PROVISION OF FEDERAL LAW REGULATION.