

Senate Engrossed

central bank digital currency; ban

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

SENATE BILL 1432

AN ACT

AMENDING TITLE 1, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 9; AMENDING SECTIONS 6-843, 6-851, 9-1443, 11-1943, 43-1021, 43-1022, 43-1121, 43-1122 AND 47-1201, ARIZONA REVISED STATUTES; RELATING TO CURRENCY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 1, Arizona Revised Statutes, is amended by adding
3 chapter 9, to read:

4 CHAPTER 9
5 LEGAL TENDER

6 ARTICLE 1. GENERAL PROVISIONS

7 1-901. Definitions

8 IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

9 1. "LEGAL TENDER" MEANS ANY MEDIUM OF EXCHANGE, INCLUDING SPECIE,
10 THAT IS AUTHORIZED BY THE UNITED STATES CONSTITUTION OR CONGRESS FOR THE
11 PAYMENT OF DEBTS, PUBLIC CHARGES, TAXES AND DUES, EXCEPT FOR FEDERALLY
12 RECOGNIZED CENTRAL BANK DIGITAL CURRENCY.

13 2. "SPECIE" MEANS COINS THAT HAVE PRECIOUS METAL CONTENT.

14 1-902. Central bank digital currency; prohibition;
15 applicability

16 A. FEDERALLY RECOGNIZED CENTRAL BANK DIGITAL CURRENCY MAY NOT BE
17 USED AS LEGAL TENDER OR BE THE SUBJECT OR MEDIUM OF PAYMENT OF ANY
18 CONTRACT, SECURITY OR OTHER SIMILAR INSTRUMENT IN THIS STATE.

19 B. NOTWITHSTANDING TITLE 47, THIS SECTION APPLIES TO ALL CONTRACTS,
20 SECURITIES AND OTHER SIMILAR INSTRUMENTS, INCLUDING CONTRACTS RELATING TO
21 COMMERCIAL TRANSACTIONS.

22 Sec. 2. Section 6-843, Arizona Revised Statutes, is amended to
23 read:

24 6-843. Disbursements; applicability

25 A. Except as provided by subsection B of this section, an escrow
26 agent may only disburse money out of an escrow account if deposits are
27 previously made that are at least equal to the disbursements and the
28 deposits relate directly to the transaction for which the money is being
29 disbursed. The deposits shall be in at least one of the following forms:

30 1. Wire transfers so that the monies are received by the escrow
31 agent or the agent's depository.

32 2. Except as provided in paragraphs 1, 4 and 5 of this subsection,
33 checks, drafts, negotiable orders of withdrawal, money orders or any other
34 item that has become available for withdrawal in accordance with the
35 federal expedited funds availability act (P.L. 100-86; 101 Stat. 635; 12
36 United States Code section 4001).

37 3. Credit transfers through the automated clearing house that are
38 deemed available by the depository institution receiving the credits. The
39 credits must conform to the operating rules set forth by a national
40 automated clearing house association.

41 4. Cashier's checks, certified checks or teller's checks that have
42 been deposited in the escrow agent's depository account.

43 5. Checks made by an affiliate of a state or federally regulated
44 depository institution where the check is drawn on the affiliated

1 depository institution so that the monies are deposited in the escrow
2 agent's depository account.

3 6. Distributed ledger technology transfers within or among a secure
4 network of federally insured depository institutions where disbursements
5 are recorded on a ledger and securely deposited in an escrow agent's
6 depository account. A depository institution shall settle transfers by
7 using an established national clearing house network, except that
8 transfers may not be settled or backed by a central bank digital currency.
9 Distributed ledger technology transfers shall be fully settled,
10 irrevocably credited and transferred in United States dollars. For the
11 purposes of this paragraph, "distributed ledger technology" means a
12 decentralized, shared and immutable ledger, which may be public or
13 private, permissioned or permissionless, or driven by tokenized crypto
14 economics or tokenless. The ledger must be tamper resistant and protected
15 with cryptography to preserve the data. For the purposes of this
16 paragraph, a transfer, whether tokenized or tokenless, must maintain price
17 stability by backing the value of the transferred digital asset to United
18 States dollars that is redeemable on a one-to-one basis.

19 B. An escrow agent may disburse up to \$500 per transaction or any
20 funds that are available as cash without complying with subsection A of
21 this section.

22 C. TRANSFERS MADE PURSUANT TO THIS SECTION MAY NOT BE SETTLED OR
23 BACKED BY FEDERALLY RECOGNIZED CENTRAL BANK DIGITAL CURRENCY.

24 ~~C.~~ D. Subsection A of this section does not apply to account
25 servicing.

26 Sec. 3. Section 6-851, Arizona Revised Statutes, is amended to
27 read:

28 6-851. Definitions

29 A. In this chapter, unless the context otherwise requires:

30 1. "Trust business" means the holding out by a person to the public
31 at large by advertising, solicitation or other means that the person is
32 available to act as a fiduciary in this state and accepting and
33 undertaking to perform the duties as such a fiduciary in the regular
34 course of business.

35 2. "Trust company" means a corporation holding a certificate issued
36 under this article.

37 B. In this article, unless the context otherwise requires:

38 1. "Agent" means a person who receives compensation to regularly
39 perform services specifically related to the conduct of the trust
40 business.

41 2. "Asset" means any property or property right held by a licensee
42 for the benefit of another.

43 3. "Capital" means the total of outstanding common stock, preferred
44 stock and surplus and undivided profits.

1 4. "Certificate" means a certificate of authority issued under this
2 chapter to engage in trust business.

3 5. "Contingency plan" means a document stating a trust company's
4 means of conducting business and preserving records in the event of any
5 power outage, flood or other physical emergency.

6 6. "Discretionary assets" means those assets in which the trust
7 company has the unilateral authority to determine investment strategies
8 and execute investment transactions without seeking the concurrence,
9 approval or authority from the customer or any other external party.

10 7. "Fiduciary" means a personal representative, administrator,
11 guardian, conservator, trustee, agent or other person who acts in a
12 fiduciary capacity and who is not exempt by section 6-852.

13 8. "Impaired" or "insolvent" means the trust company does not
14 possess assets that are at least equal to liabilities, required reserves
15 and total issued and outstanding capital.

16 9. "Legal tender" ~~means a medium of exchange, including specie,~~
17 ~~that is authorized by the United States Constitution or Congress for the~~
18 ~~payment of debts, public charges, taxes and dues~~ HAS THE SAME MEANING
19 PRESCRIBED IN SECTION 1-901.

20 10. "Liquid capital" means legal tender, capital in the form of
21 certificates of deposit issued by banks, savings banks or savings and loan
22 associations doing business in this state and insured by the federal
23 deposit insurance corporation or any successor institution, including
24 deposits to a single depository where excess deposit insurance is provided
25 through a reciprocal deposit arrangement by participating banks, or direct
26 obligations of the United States government with maturity of not more than
27 five years.

28 11. "Nondiscretionary assets" means those assets for which the
29 trust company must obtain from the customer, broker or investment advisor
30 specific direction and instructions regarding both investment strategies
31 and investment executions.

32 ~~12. "Specie" means coins having precious metal content.~~

33 ~~13.~~ 12. "Surplus" means the total amount paid by shareholders in
34 excess of the par or stated value of the shares of capital stock of a
35 trust business in consideration for the shares.

36 Sec. 4. Section 9-1443, Arizona Revised Statutes, is amended to
37 read:

38 9-1443. License fee; requirements, conditions and
39 limitations; pass through to subscribers

40 A. For the privilege of a video service provider to occupy or use,
41 in whole or in part, any highway within the boundaries of a local
42 government to provide video service through a video service network, the
43 local government may require a video service provider to pay a license fee
44 to the local government based on the gross revenue that the video service

1 provider receives from its subscribers located within the boundaries of
2 the local government. The license fee both:

3 1. Is subject to the limit prescribed in section 9-1442, subsection
4 B and to offset, including amounts collected from subscribers, as
5 prescribed by section 9-1442, subsections A and I and subsection D of this
6 section.

7 2. Shall be due ~~no~~ NOT more often than quarterly.

8 B. If the local government requires a license fee pursuant to
9 subsection A of this section, the local government shall adopt a local law
10 that imposes the license fee equally and uniformly on all of the following
11 that are operating within the boundaries of the local government:

12 1. Video service providers.

13 2. Holdover cable operators.

14 C. A video service provider shall pay the entire amount of the
15 license fee directly to the local government in a check, draft or note or
16 automated clearinghouse transaction that is payable in legal tender as
17 defined in section ~~43-1021~~ 1-901.

18 D. A video service provider may do all of the following:

19 1. Pass the license fee through to and collect the license fee from
20 its subscribers within the boundaries of the local government, including
21 for an incumbent cable operator any change in license fees that results
22 from a change in the applicable definition of gross revenue.

23 2. Designate the amount of the license fee collected from each
24 subscriber as a separate line item on the subscriber's bill.

25 Sec. 5. Section 11-1943, Arizona Revised Statutes, is amended to
26 read:

27 11-1943. License fee; requirements; conditions and
28 limitations; pass through to subscribers

29 A. For the privilege of a video service provider to occupy or use,
30 in whole or in part, any highway within the boundaries of a county to
31 provide video service through a video service network, the county may
32 require a video service provider to pay a license fee to the county based
33 on the gross revenue that the video service provider receives from its
34 subscribers located within the boundaries of the county. The license fee
35 both:

36 1. Is subject to the limit prescribed by section 11-1942,
37 subsection B and to offset, including amounts collected from subscribers,
38 as prescribed by section 11-1942, subsections A and I and subsection D of
39 this section.

40 2. Shall be due ~~no~~ NOT more often than quarterly.

41 B. If the county requires a license fee pursuant to subsection A of
42 this section, the county shall adopt a local law that imposes the license
43 fee equally and uniformly on all of the following that are operating
44 within the boundaries of the county:

45 1. Video service providers.

1 2. Holdover cable operators.

2 C. A video service provider shall pay the entire amount of the
3 license fee directly to the county in a check, draft or note or automated
4 clearinghouse transaction that is payable in legal tender as defined in
5 section ~~43-1021~~ 1-901.

6 D. A video service provider may do all of the following:

7 1. Pass the license fee through to and collect the license fee from
8 its subscribers within the boundaries of the county, including for an
9 incumbent cable operator any change in license fees that results from a
10 change in the applicable definition of gross revenue.

11 2. Designate the amount of the license fee collected from each
12 subscriber as a separate line item on the subscriber's bill.

13 Sec. 6. Section 43-1021, Arizona Revised Statutes, is amended to
14 read:

15 43-1021. Addition to Arizona gross income

16 In computing Arizona adjusted gross income, the following amounts
17 shall be added to Arizona gross income:

18 1. A beneficiary's share of the fiduciary adjustment to the extent
19 that the amount determined by section 43-1333 increases the beneficiary's
20 Arizona gross income.

21 2. An amount equal to the ordinary income portion of a lump sum
22 distribution that was excluded from federal adjusted gross income pursuant
23 to the special rule for individuals who attained fifty years of age before
24 January 1, 1986 under Public Law 99-514, section 1122(h)(3).

25 3. The amount of interest income received on obligations of any
26 state, territory or possession of the United States, or any political
27 subdivision thereof, located outside of this state, reduced, for taxable
28 years beginning from and after December 31, 1996, by the amount of any
29 interest on indebtedness and other related expenses that were incurred or
30 continued to purchase or carry those obligations and that are not
31 otherwise deducted or subtracted in arriving at Arizona gross income.

32 4. The excess of a partner's share of partnership taxable income
33 required to be included under chapter 14, article 2 of this title over the
34 income required to be reported under section 702(a)(8) of the internal
35 revenue code.

36 5. The excess of a partner's share of partnership losses determined
37 pursuant to section 702(a)(8) of the internal revenue code over the losses
38 allowable under chapter 14, article 2 of this title.

39 6. Any amount of agricultural water conservation expenses that were
40 deducted pursuant to the internal revenue code for which a credit is
41 claimed under section 43-1084.

42 7. The amount by which the depreciation or amortization computed
43 under the internal revenue code with respect to property for which a
44 credit was taken under section 43-1081.01 or that is pollution control
45 equipment for which a credit was taken before taxable year 2022 exceeds

1 the amount of depreciation or amortization computed pursuant to the
2 internal revenue code on the Arizona adjusted basis of the property.

3 8. The amount by which the adjusted basis computed under the
4 internal revenue code with respect to property for which a credit was
5 claimed under section 43-1074.02 or 43-1081.01 or that is pollution
6 control equipment for which a credit was taken before taxable year 2022
7 and that is sold or otherwise disposed of during the taxable year exceeds
8 the adjusted basis of the property computed under section 43-1074.02 or
9 43-1081.01 or for pollution control equipment, the section in which the
10 credit was taken, as applicable.

11 9. The deduction referred to in section 1341(a)(4) of the internal
12 revenue code for restoration of a substantial amount held under a claim of
13 right.

14 10. The amount by which a net operating loss carryover or capital
15 loss carryover allowable pursuant to section 1341(b)(5) of the internal
16 revenue code exceeds the net operating loss carryover or capital loss
17 carryover allowable pursuant to section 43-1029, subsection F.

18 11. The amount of any depreciation allowance allowed pursuant to
19 section 167(a) of the internal revenue code to the extent not previously
20 added.

21 12. The amount of a nonqualified withdrawal, as defined in section
22 15-1871, from a college savings plan established pursuant to section 529
23 of the internal revenue code that is made to a distributee to the extent
24 the amount is not included in computing federal adjusted gross income,
25 except that the amount added under this paragraph shall not exceed the
26 difference between the amount subtracted under section 43-1022 in prior
27 taxable years and the amount added under this section in any prior taxable
28 years.

29 13. If a subtraction is or has been taken by the taxpayer under
30 section 43-1024, in the current or a prior taxable year for the full
31 amount of eligible access expenditures paid or incurred to comply with the
32 requirements of the Americans with disabilities act of 1990 (P.L. 101-336)
33 or title 41, chapter 9, article 8, any amount of eligible access
34 expenditures that is recognized under the internal revenue code, including
35 any amount that is amortized according to federal amortization schedules,
36 and that is included in computing taxable income for the current taxable
37 year.

38 14. For taxable years beginning from and after December 31, 2017,
39 the amount of any net capital loss included in Arizona gross income for
40 the taxable year that is derived from the exchange of one kind of legal
41 tender for another kind of legal tender. For the purposes of this
42 paragraph, ~~:-~~

43 ~~(a) "legal tender" means a medium of exchange, including specie,~~
44 ~~that is authorized by the United States Constitution or Congress to pay~~

1 ~~debts, public charges, taxes and dues~~ HAS THE SAME MEANING PRESCRIBED IN
2 SECTION 1-901.

3 ~~(b) "Specie" means coins having precious metal content.~~

4 15. For taxable years beginning from and after December 31, 2021,
5 the amount deducted by the partnership or S corporation pursuant to the
6 internal revenue code for the amount paid to this state under section
7 43-1014 and for taxes that the department determines are substantially
8 similar to the tax imposed under section 43-1014. This amount shall be
9 reflected in the partner's or shareholder's Arizona gross income and the
10 partnership's or S corporation's Arizona taxable income.

11 16. The amount of any motion picture production costs that was
12 deducted pursuant to the internal revenue code for which a tax credit is
13 claimed under section 43-1082.

14 Sec. 7. Section 43-1022, Arizona Revised Statutes, is amended to
15 read:

16 43-1022. Subtractions from Arizona gross income

17 In computing Arizona adjusted gross income, the following amounts
18 shall be subtracted from Arizona gross income:

19 1. The amount of exemptions allowed by section 43-1023.

20 2. Benefits, annuities and pensions in an amount totaling not more
21 than \$2,500 received from one or more of the following:

22 (a) The United States government service retirement and disability
23 fund, the United States foreign service retirement and disability system
24 and any other retirement system or plan established by federal law, except
25 retired or retainer pay of the uniformed services of the United States
26 that qualifies for a subtraction under paragraph 26 of this section.

27 (b) The Arizona state retirement system, the corrections officer
28 retirement plan, the public safety personnel retirement system, the
29 elected officials' retirement plan, an optional retirement program
30 established by the Arizona board of regents under section 15-1628, an
31 optional retirement program established by a community college district
32 board under section 15-1451 or a retirement plan established for employees
33 of a county, city or town in this state.

34 3. A beneficiary's share of the fiduciary adjustment to the extent
35 that the amount determined by section 43-1333 decreases the beneficiary's
36 Arizona gross income.

37 4. Interest income received on obligations of the United States,
38 minus any interest on indebtedness, or other related expenses, and
39 deducted in arriving at Arizona gross income, that were incurred or
40 continued to purchase or carry such obligations.

41 5. The excess of a partner's share of income required to be
42 included under section 702(a)(8) of the internal revenue code over the
43 income required to be included under chapter 14, article 2 of this title.

1 6. The excess of a partner's share of partnership losses determined
2 pursuant to chapter 14, article 2 of this title over the losses allowable
3 under section 702(a)(8) of the internal revenue code.

4 7. The amount allowed by section 43-1025 for contributions during
5 the taxable year of agricultural crops to charitable organizations.

6 8. The portion of any wages or salaries paid or incurred by the
7 taxpayer for the taxable year that is equal to the amount of the federal
8 work opportunity credit, the empowerment zone employment credit, the
9 credit for employer paid social security taxes on employee cash tips and
10 the Indian employment credit that the taxpayer received under sections
11 45A, 45B, 51(a) and 1396 of the internal revenue code.

12 9. The amount of exploration expenses that is determined pursuant
13 to section 617 of the internal revenue code, that has been deferred in a
14 taxable year ending before January 1, 1990 and for which a subtraction has
15 not previously been made. The subtraction shall be made on a ratable
16 basis as the units of produced ores or minerals discovered or explored as
17 a result of this exploration are sold.

18 10. The amount included in federal adjusted gross income pursuant
19 to section 86 of the internal revenue code, relating to taxation of social
20 security and railroad retirement benefits.

21 11. To the extent not already excluded from Arizona gross income
22 under the internal revenue code, compensation received for active service
23 as a member of the reserves, the national guard or the armed forces of the
24 United States, including compensation for service in a combat zone as
25 determined under section 112 of the internal revenue code.

26 12. The amount of unreimbursed medical and hospital costs, adoption
27 counseling, legal and agency fees and other nonrecurring costs of
28 adoption. The subtraction under this paragraph may be taken for the costs
29 that are described in this paragraph and that are incurred in prior years,
30 but the subtraction may be taken only in the year during which the final
31 adoption order is granted. The amount subtracted may not exceed:

32 (a) In taxable years beginning before December 31, 2025, \$3,000. In
33 the case of a husband and wife who file separate returns, the subtraction
34 may be taken by either taxpayer or may be divided between them, but the
35 total subtractions allowed both husband and wife may not exceed \$3,000.

36 (b) In taxable years beginning from and after December 31, 2025,
37 \$5,000 for a single individual or head of household.

38 (c) For taxable years beginning from and after December 31, 2025,
39 \$10,000 for a married couple filing a joint return. In the case of a
40 husband and wife who file separate returns, the subtraction may be taken
41 by either taxpayer or may be divided between them, but the total
42 subtractions allowed both husband and wife may not exceed \$10,000.

43 13. The amount authorized by section 43-1027 for the taxable year
44 relating to qualified wood stoves, wood fireplaces or gas fired
45 fireplaces.

1 14. The amount by which a net operating loss carryover or capital
2 loss carryover allowable pursuant to section 43-1029, subsection F exceeds
3 the net operating loss carryover or capital loss carryover allowable
4 pursuant to section 1341(b)(5) of the internal revenue code.

5 15. Any amount of qualified educational expenses that is
6 distributed from a qualified state tuition program determined pursuant to
7 section 529 of the internal revenue code and that is included in income in
8 computing federal adjusted gross income.

9 16. Any item of income resulting from an installment sale that has
10 been properly subjected to income tax in another state in a previous
11 taxable year and that is included in Arizona gross income in the current
12 taxable year.

13 17. For property placed in service:

14 (a) In taxable years beginning before December 31, 2012, an amount
15 equal to the depreciation allowable pursuant to section 167(a) of the
16 internal revenue code for the taxable year computed as if the election
17 described in section 168(k) of the internal revenue code had been made for
18 each applicable class of property in the year the property was placed in
19 service.

20 (b) In taxable years beginning from and after December 31, 2012
21 through December 31, 2013, an amount determined in the year the asset was
22 placed in service based on the calculation in subdivision (a) of this
23 paragraph. In the first taxable year beginning from and after
24 December 31, 2013, the taxpayer may elect to subtract the amount necessary
25 to make the depreciation claimed to date for the purposes of this title
26 the same as it would have been if subdivision (c) of this paragraph had
27 applied for the entire time the asset was in service. Subdivision (c) of
28 this paragraph applies for the remainder of the asset's life. If the
29 taxpayer does not make the election under this subdivision, subdivision
30 (a) of this paragraph applies for the remainder of the asset's life.

31 (c) In taxable years beginning from and after December 31, 2013
32 through December 31, 2015, an amount equal to the depreciation allowable
33 pursuant to section 167(a) of the internal revenue code for the taxable
34 year as computed as if the additional allowance for depreciation had been
35 ten percent of the amount allowed pursuant to section 168(k) of the
36 internal revenue code.

37 (d) In taxable years beginning from and after December 31, 2015
38 through December 31, 2016, an amount equal to the depreciation allowable
39 pursuant to section 167(a) of the internal revenue code for the taxable
40 year as computed as if the additional allowance for depreciation had been
41 fifty-five percent of the amount allowed pursuant to section 168(k) of the
42 internal revenue code.

43 (e) In taxable years beginning from and after December 31, 2016, an
44 amount equal to the depreciation allowable pursuant to section 167(a) of
45 the internal revenue code for the taxable year as computed as if the

1 additional allowance for depreciation had been the full amount allowed
2 pursuant to section 168(k) of the internal revenue code.

3 18. With respect to property that is sold or otherwise disposed of
4 during the taxable year by a taxpayer that complied with section 43-1021,
5 paragraph 11 with respect to that property, the amount of depreciation
6 that has been allowed pursuant to section 167(a) of the internal revenue
7 code to the extent that the amount has not already reduced Arizona taxable
8 income in the current or prior taxable years.

9 19. The amount contributed during the taxable year to college
10 savings plans established pursuant to section 529 of the internal revenue
11 code on behalf of the designated beneficiary to the extent that the
12 contributions were not deducted in computing federal adjusted gross
13 income. The amount subtracted may not exceed:

14 (a) \$2,000 per beneficiary for a single individual or a head of
15 household.

16 (b) \$4,000 per beneficiary for a married couple filing a joint
17 return. In the case of a husband and wife who file separate returns, the
18 subtraction may be taken by either taxpayer or may be divided between
19 them, but the total subtractions allowed both husband and wife may not
20 exceed \$4,000 per beneficiary.

21 20. The portion of the net operating loss carryforward that would
22 have been allowed as a deduction in the current year pursuant to section
23 172 of the internal revenue code if the election described in section
24 172(b)(1)(H) of the internal revenue code had not been made in the year of
25 the loss that exceeds the actual net operating loss carryforward that was
26 deducted in arriving at federal adjusted gross income. This subtraction
27 only applies to taxpayers who made an election under section 172(b)(1)(H)
28 of the internal revenue code as amended by section 1211 of the American
29 recovery and reinvestment act of 2009 (P.L. 111-5) or as amended by
30 section 13 of the worker, homeownership, and business assistance act of
31 2009 (P.L. 111-92).

32 21. For taxable years beginning from and after December 31, 2013,
33 the amount of any net capital gain included in federal adjusted gross
34 income for the taxable year derived from investment in a qualified small
35 business as determined by the Arizona commerce authority pursuant to
36 section 41-1518.

37 22. An amount of any net long-term capital gain included in federal
38 adjusted gross income for the taxable year that is derived from an
39 investment in an asset acquired after December 31, 2011, as follows:

40 (a) For taxable years beginning from and after December 31, 2012
41 through December 31, 2013, ten percent of the net long-term capital gain
42 included in federal adjusted gross income.

1 (b) For taxable years beginning from and after December 31, 2013
2 through December 31, 2014, twenty percent of the net long-term capital
3 gain included in federal adjusted gross income.

4 (c) For taxable years beginning from and after December 31, 2014,
5 twenty-five percent of the net long-term capital gain included in federal
6 adjusted gross income. For the purposes of this paragraph, a transferee
7 that receives an asset by gift or at the death of a transferor is
8 considered to have acquired the asset when the asset was acquired by the
9 transferor. If the date an asset is acquired cannot be verified, a
10 subtraction under this paragraph is not allowed.

11 23. If an individual is not claiming itemized deductions pursuant
12 to section 43-1042, the amount of premium costs for long-term care
13 insurance, as defined in section 20-1691.

14 24. The amount of eligible access expenditures paid or incurred
15 during the taxable year to comply with the requirements of the Americans
16 with disabilities act of 1990 (P.L. 101-336) or title 41, chapter 9,
17 article 8 as provided by section 43-1024.

18 25. For taxable years beginning from and after December 31, 2017,
19 the amount of any net capital gain included in Arizona gross income for
20 the taxable year that is derived from the exchange of one kind of legal
21 tender for another kind of legal tender. For the purposes of this
22 paragraph, ~~—~~

23 ~~(a) "legal tender" means a medium of exchange, including specie,~~
24 ~~that is authorized by the United States Constitution or Congress to pay~~
25 ~~debts, public charges, taxes and dues~~ HAS THE SAME MEANING PRESCRIBED IN
26 SECTION 1-901.

27 ~~(b) "Specie" means coins having precious metal content.~~

28 26. Benefits, annuities and pensions received as retired or
29 retiree pay of the uniformed services of the United States in amounts as
30 follows:

31 (a) For taxable years through December 31, 2018, an amount totaling
32 not more than \$2,500.

33 (b) For taxable years beginning from and after December 31, 2018
34 through December 31, 2020, an amount totaling not more than \$3,500.

35 (c) For taxable years beginning from and after December 31, 2020,
36 the full amount received.

37 27. For taxable years beginning from and after December 31, 2020,
38 the amount contributed during the taxable year to an achieving a better
39 life experience account established pursuant to section 529A of the
40 internal revenue code on behalf of the designated beneficiary to the
41 extent that the contributions were not deducted in computing federal
42 adjusted gross income. The amount subtracted may not exceed:

43 (a) \$2,000 per beneficiary for a single individual or a head of
44 household.

1 (b) \$4,000 per beneficiary for a married couple filing a joint
2 return. In the case of a husband and wife who file separate returns, the
3 subtraction may be taken by either taxpayer or may be divided between
4 them, but the total subtractions allowed both husband and wife may not
5 exceed \$4,000 per beneficiary.

6 28. For taxable years beginning from and after December 31, 2020,
7 Arizona small business gross income but only if an individual taxpayer has
8 elected to separately report and pay tax on the taxpayer's Arizona small
9 business adjusted gross income on the Arizona small business income tax
10 return.

11 29. To the extent not already excluded from Arizona gross income
12 under the internal revenue code, the value of virtual currency and
13 non-fungible tokens the taxpayer received pursuant to an airdrop at the
14 time of the airdrop. This paragraph may not be interpreted as providing a
15 subtraction for any appreciation in value that occurs from holding the
16 virtual currency after the initial receipt of the airdrop. For the
17 purposes of this paragraph:

18 (a) "Airdrop" means the receipt of virtual currency through a means
19 of distribution of virtual currency to the distributed ledger addresses of
20 multiple taxpayers.

21 (b) "Non-fungible token" has the same meaning prescribed in section
22 43-1028.

23 (c) "Virtual currency" has the same meaning prescribed in section
24 43-1028.

25 30. The amount allowed as a subtraction by section 43-1028 for gas
26 fees not already included in the taxpayer's virtual currency or
27 non-fungible token basis.

28 Sec. 8. Section 43-1121, Arizona Revised Statutes, is amended to
29 read:

30 43-1121. Additions to Arizona gross income; corporations

31 In computing Arizona taxable income for a corporation, the following
32 amounts shall be added to Arizona gross income:

33 1. The amount of interest income received on obligations of any
34 state, territory or possession of the United States, or any political
35 subdivision thereof, located outside this state, reduced, for taxable
36 years beginning from and after December 31, 1996, by the amount of any
37 interest on indebtedness and other related expenses that were incurred or
38 continued to purchase or carry those obligations and that are not
39 otherwise deducted or subtracted in arriving at Arizona gross income.

40 2. The excess of a partner's share of partnership taxable income
41 required to be included under chapter 14, article 2 of this title over the
42 income required to be reported under section 702(a)(8) of the internal
43 revenue code.

1 3. The excess of a partner's share of partnership losses determined
2 pursuant to section 702(a)(8) of the internal revenue code over the losses
3 allowable under chapter 14, article 2 of this title.

4 4. The amount of any depreciation allowance allowed pursuant to
5 section 167(a) of the internal revenue code to the extent not previously
6 added.

7 5. The amount of dividend income received from corporations and
8 allowed as a deduction pursuant to sections 243, 245, 245A and
9 250(a)(1)(B) of the internal revenue code.

10 6. Taxes that are based on income paid to states, local governments
11 or foreign governments and that were deducted in computing federal taxable
12 income.

13 7. Expenses and interest relating to tax-exempt income on
14 indebtedness incurred or continued to purchase or carry obligations the
15 interest on which is wholly exempt from the tax imposed by this title.
16 Financial institutions, as defined in section 6-101, shall be governed by
17 section 43-961, paragraph 2.

18 8. Commissions, rentals and other amounts paid or accrued to a
19 domestic international sales corporation controlled by the payor
20 corporation if the domestic international sales corporation is not
21 required to report its taxable income to this state because its income is
22 not derived from or attributable to sources within this state. If the
23 domestic international sales corporation is subject to article 4 of this
24 chapter, the department shall prescribe by rule the method of determining
25 the portion of the commissions, rentals and other amounts that are paid or
26 accrued to the controlled domestic international sales corporation and
27 that shall be deducted by the payor. For the purposes of this paragraph,
28 "control" means direct or indirect ownership or control of fifty percent
29 or more of the voting stock of the domestic international sales
30 corporation by the payor corporation.

31 9. The amount of net operating loss taken pursuant to section 172
32 of the internal revenue code.

33 10. The amount of exploration expenses determined pursuant to
34 section 617 of the internal revenue code to the extent that they exceed
35 \$75,000 and to the extent that the election is made to defer those
36 expenses not in excess of \$75,000.

37 11. Amortization of costs incurred to install pollution control
38 devices and deducted pursuant to the internal revenue code or the amount
39 of deduction for depreciation taken pursuant to the internal revenue code
40 on pollution control devices for which an election is made pursuant to
41 section 43-1129.

42 12. The amount of depreciation or amortization of costs of child
43 care facilities deducted pursuant to section 167 or 188 of the internal
44 revenue code for which an election is made to amortize pursuant to section
45 43-1130.

1 13. The loss of an insurance company that is exempt under section
2 43-1201 to the extent that it is included in computing Arizona gross
3 income on a consolidated return pursuant to section 43-947.

4 14. The amount by which the depreciation or amortization computed
5 under the internal revenue code with respect to property for which a
6 credit was taken under section 43-1170 exceeds the amount of depreciation
7 or amortization computed pursuant to the internal revenue code on the
8 Arizona adjusted basis of the property.

9 15. The amount by which the adjusted basis computed under the
10 internal revenue code with respect to property for which a credit was
11 claimed under section 43-1170 and that is sold or otherwise disposed of
12 during the taxable year exceeds the adjusted basis of the property
13 computed under section 43-1170.

14 16. The deduction referred to in section 1341(a)(4) of the internal
15 revenue code for restoration of a substantial amount held under a claim of
16 right.

17 17. The amount by which a capital loss carryover allowable pursuant
18 to section 1341(b)(5) of the internal revenue code exceeds the capital
19 loss carryover allowable pursuant to section 43-1130.01, subsection F.

20 18. Any wage expenses deducted pursuant to the internal revenue
21 code for which a credit is claimed under section 43-1175 and representing
22 net increases in qualified employment positions for employment of
23 temporary assistance for needy families recipients.

24 19. Any amount of expenses that were deducted pursuant to the
25 internal revenue code and for which a credit is claimed under section
26 43-1178.

27 20. Any amount deducted pursuant to section 170 of the internal
28 revenue code representing contributions to a school tuition organization
29 for which a credit is claimed under section 43-1183 or 43-1184.

30 21. If a subtraction is or has been taken by the taxpayer under
31 section 43-1124, in the current or a prior taxable year for the full
32 amount of eligible access expenditures paid or incurred to comply with the
33 requirements of the Americans with disabilities act of 1990 (P.L. 101-336)
34 or title 41, chapter 9, article 8, any amount of eligible access
35 expenditures that is recognized under the internal revenue code, including
36 any amount that is amortized according to federal amortization schedules,
37 and that is included in computing Arizona taxable income for the current
38 taxable year.

39 22. For taxable years beginning from and after December 31, 2017,
40 the amount of any net capital loss included in Arizona gross income for
41 the taxable year that is derived from the exchange of one kind of legal
42 tender for another kind of legal tender. For the purposes of this
43 paragraph, ~~---~~

44 ~~(a) "legal tender" means a medium of exchange, including specie,~~
45 ~~that is authorized by the United States Constitution or Congress to pay~~

1 ~~debts, public charges, taxes and dues~~ HAS THE SAME MEANING PRESCRIBED IN
2 SECTION 1-901.

3 ~~(b) "Specie" means coins having precious metal content.~~

4 23. The amount of any deduction that is claimed in computing
5 Arizona gross income and that represents a donation of a school site for
6 which a credit is claimed under section 43-1181.

7 24. The amount of any motion picture production costs that was
8 deducted pursuant to the internal revenue code for which a tax credit is
9 claimed under section 43-1165.

10 Sec. 9. Section 43-1122, Arizona Revised Statutes, is amended to
11 read:

12 43-1122. Subtractions from Arizona gross income; corporations

13 In computing Arizona taxable income for a corporation, the following
14 amounts shall be subtracted from Arizona gross income:

15 1. The excess of a partner's share of income required to be
16 included under section 702(a)(8) of the internal revenue code over the
17 income required to be included under chapter 14, article 2 of this title.

18 2. The excess of a partner's share of partnership losses determined
19 pursuant to chapter 14, article 2 of this title over the losses allowable
20 under section 702(a)(8) of the internal revenue code.

21 3. The amount allowed by section 43-1025 for contributions during
22 the taxable year of agricultural crops to charitable organizations.

23 4. The portion of any wages or salaries paid or incurred by the
24 taxpayer for the taxable year that is equal to the amount of the federal
25 work opportunity credit, the empowerment zone employment credit, the
26 credit for employer paid social security taxes on employee cash tips and
27 the Indian employment credit that the taxpayer received under sections
28 45A, 45B, 51(a) and 1396 of the internal revenue code.

29 5. With respect to property that is sold or otherwise disposed of
30 during the taxable year by a taxpayer that complied with section 43-1121,
31 paragraph 4 with respect to that property, the amount of depreciation that
32 has been allowed pursuant to section 167(a) of the internal revenue code
33 to the extent that the amount has not already reduced Arizona taxable
34 income in the current taxable year or prior taxable years.

35 6. With respect to a financial institution as defined in section
36 6-101, expenses and interest relating to tax-exempt income disallowed
37 pursuant to section 265 of the internal revenue code.

38 7. Dividends received from another corporation owned or controlled
39 directly or indirectly by a recipient corporation. For the purposes of
40 this paragraph, "control" means direct or indirect ownership or control of
41 fifty percent or more of the voting stock of the payor corporation by the
42 recipient corporation. Dividends shall have the meaning provided in
43 section 316 of the internal revenue code. This subtraction shall apply
44 without regard to section 43-961, paragraph 2 and article 4 of this
45 chapter.

1 8. Interest income received on obligations of the United States.

2 9. The amount of dividend income from foreign corporations. For
3 the purposes of this paragraph, gross up income as described in section 78
4 of the internal revenue code, global intangible low-taxed income as
5 defined in section 951A of the internal revenue code and subpart F income
6 as defined in section 952 of the internal revenue code shall be considered
7 foreign dividends.

8 10. The amount of net operating loss allowed by section 43-1123.

9 11. The amount of any state income tax refunds received that were
10 included as income in computing federal taxable income.

11 12. The amount of expense recapture included in income pursuant to
12 section 617 of the internal revenue code for mine exploration expenses.

13 13. The amount of deferred exploration expenses allowed by section
14 43-1127.

15 14. The amount of exploration expenses related to the exploration
16 of oil, gas or geothermal resources, computed in the same manner and on
17 the same basis as a deduction for mine exploration pursuant to section 617
18 of the internal revenue code. This computation is subject to the
19 adjustments contained in section 43-1121, paragraph 10 and paragraphs 12
20 and 13 of this section relating to exploration expenses.

21 15. The amortization of pollution control devices allowed by
22 section 43-1129.

23 16. The amount of amortization of the cost of child care facilities
24 pursuant to section 43-1130.

25 17. The amount of income from a domestic international sales
26 corporation required to be included in the income of its shareholders
27 pursuant to section 995 of the internal revenue code.

28 18. The income of an insurance company that is exempt under section
29 43-1201 to the extent that it is included in computing Arizona gross
30 income on a consolidated return pursuant to section 43-947.

31 19. The amount by which a capital loss carryover allowable pursuant
32 to section 43-1130.01, subsection F exceeds the capital loss carryover
33 allowable pursuant to section 1341(b)(5) of the internal revenue code.

34 20. An amount equal to the depreciation allowable pursuant to
35 section 167(a) of the internal revenue code for the taxable year computed
36 as if the election described in section 168(k)(7) of the internal revenue
37 code had been made for each applicable class of property in the year the
38 property was placed in service.

39 21. The amount of eligible access expenditures paid or incurred
40 during the taxable year to comply with the requirements of the Americans
41 with disabilities act of 1990 (P.L. 101-336) or title 41, chapter 9,
42 article 8 as provided by section 43-1124.

43 22. For taxable years beginning from and after December 31, 2017,
44 the amount of any net capital gain included in Arizona gross income for
45 the taxable year that is derived from the exchange of one kind of legal

1 tender for another kind of legal tender. For the purposes of this
2 paragraph, ~~—~~

3 ~~(a) "legal tender" means a medium of exchange, including specie,~~
4 ~~that is authorized by the United States Constitution or Congress to pay~~
5 ~~debts, public charges, taxes and dues~~ HAS THE SAME MEANING PRESCRIBED IN
6 SECTION 1-901.

7 ~~(b) "Specie" means coins having precious metal content.~~

8 23. With respect to a public service corporation operating a water
9 system or sewage disposal facility, the amount of monies or property
10 received as a contribution in aid of construction. For the purposes of
11 this paragraph:

12 (a) "Contribution in aid of construction" means any amount of
13 monies or other property contributed to a public service corporation that
14 provides water or sewage disposal services to the extent that the purpose
15 of the contribution is to provide for expanding, improving or replacing
16 the public service corporation's water system or sewage disposal
17 facilities, including any amount of monies or other property contributed
18 to a public service corporation for a water system or sewage disposal
19 facility subject to a contingent obligation to repay the amount, in whole
20 or in part, to the contributor.

21 (b) "Public service corporation" means a public service corporation
22 as defined in article XV, section 2, Constitution of Arizona, that is
23 regulated by the corporation commission.

24 Sec. 10. Section 47-1201, Arizona Revised Statutes, is amended to
25 read:

26 47-1201. General definitions

27 A. Unless the context otherwise requires, words or phrases defined
28 in this section, or in the additional definitions contained in other
29 chapters of this title that apply to particular chapters or parts ~~thereof~~
30 ~~OF CHAPTERS~~, have the meanings stated.

31 B. Subject to definitions contained in other chapters of this title
32 that apply to particular chapters or parts ~~thereof~~ ~~OF CHAPTERS~~:

33 1. "Action", in the sense of a judicial proceeding, includes
34 recoupment, counterclaim, set-off, suit in equity and any other proceeding
35 in which rights are determined.

36 2. "Aggrieved party" means a party entitled to pursue a remedy.

37 3. "Agreement", as distinguished from "contract", means the bargain
38 of the parties in fact, as found in their language or inferred from other
39 circumstances, including course of performance, course of dealing or usage
40 of trade as provided in section 47-1303.

41 4. "Bank":

42 (a) Means a person engaged in the business of banking. ~~and~~

43 (b) Includes a savings bank, savings and loan association, credit
44 union and trust company.

1 5. "Bearer" means a person in control of a negotiable electronic
2 document of title or a person in possession of a negotiable instrument,
3 negotiable tangible document of title or certificated security that is
4 payable to bearer or indorsed in blank.

5 6. "Bill of lading":

6 (a) Means a document of title evidencing the receipt of goods for
7 shipment issued by a person engaged in the business of directly or
8 indirectly transporting or forwarding goods. ~~The term~~

9 (b) Does not include a warehouse receipt.

10 7. "Branch" includes a separately incorporated foreign branch of a
11 bank.

12 8. "Burden of establishing" a fact means the burden of persuading
13 the trier of fact that the existence of the fact is more probable than its
14 nonexistence.

15 9. "Buyer in ordinary course of business":

16 (a) Means a person that buys goods in good faith, without knowledge
17 that the sale violates the rights of another person in the goods, and in
18 the ordinary course from a person, other than a pawnbroker, in the
19 business of selling goods of that kind. A person buys goods in the
20 ordinary course if the sale to the person comports with the usual or
21 customary practices in the kind of business in which the seller is engaged
22 or with the seller's own usual or customary practices. A person that
23 sells oil, gas or other minerals at the wellhead or minehead is a person
24 in the business of selling goods of that kind. A buyer in ordinary course
25 of business may buy for cash, by exchange of other property or on secured
26 or unsecured credit, and may acquire goods or documents of title under a
27 preexisting contract for sale. Only a buyer that takes possession of the
28 goods or has a right to recover the goods from the seller under chapter 2
29 of this title may be a buyer in ordinary course of business. ~~Buyer in
30 ordinary course of business~~

31 (b) Does not include a person that acquires goods in a transfer in
32 bulk or as security for or in total or partial satisfaction of a money
33 debt.

34 10. "Conspicuous", with reference to a term, means so written,
35 displayed or presented that a reasonable person against which it is to
36 operate ought to have noticed it. Whether a term is conspicuous or not is
37 a decision for the court. Conspicuous terms include **ANY OF** the following:

38 (a) A heading in capitals equal to or greater in size than the
39 surrounding text, or in contrasting type, font or color to the surrounding
40 text of the same or lesser size. ~~, and~~

41 (b) Language in the body of a record or display in larger type than
42 the surrounding text, or in contrasting type, font or color to the
43 surrounding text of the same size, or set off from surrounding text of the
44 same size by symbols or other marks that call attention to the language.

1 11. "Consumer" means an individual who enters into a transaction
2 primarily for personal, family or household purposes.

3 12. "Contract", as distinguished from "agreement", means the total
4 legal obligation that results from the parties' agreement as determined by
5 this title as supplemented by any other applicable laws.

6 13. "Creditor" includes a general creditor, a secured creditor, a
7 lien creditor and any representative of creditors, including an assignee
8 for the benefit of creditors, a trustee in bankruptcy, a receiver in
9 equity and an executor or administrator of an insolvent debtor's or
10 assignor's estate.

11 14. "Defendant" includes a person in the position of defendant in a
12 counterclaim, cross-claim or third-party claim.

13 15. "Delivery", with respect to an electronic document of title,
14 means voluntary transfer of control, and with respect to an instrument, a
15 tangible document of title or chattel paper means voluntary transfer of
16 possession.

17 16. "Document of title" means a record:

18 (a) That in the regular course of business or financing is treated
19 as adequately evidencing that the person in possession or control of the
20 record is entitled to receive, control, hold and dispose of the record and
21 the goods the record covers; and

22 (b) That purports to be issued by or addressed to a bailee and to
23 cover goods in the bailee's possession that are either identified or are
24 fungible portions of an identified mass. The term includes a bill of
25 lading, transport document, dock warrant, dock receipt, warehouse receipt
26 and order for delivery of goods. An electronic document of title means a
27 document of title evidenced by a record consisting of information stored
28 in an electronic medium. A tangible document of title means a document of
29 title evidenced by a record consisting of information that is inscribed on
30 a tangible medium.

31 17. "Fault" means a default, breach or wrongful act or omission.

32 18. "Fungible goods" means:

33 (a) Goods of which any unit, by nature or usage of trade, is the
34 equivalent of any other like unit; or

35 (b) Goods that by agreement are treated as equivalent.

36 19. "Genuine" means free of forgery or counterfeiting.

37 20. "Good faith" means honesty in fact in the conduct or
38 transaction concerned.

39 21. "Holder" means:

40 (a) The person in possession of a negotiable instrument that is
41 payable either to bearer or to an identified person that is the person in
42 possession;

43 (b) The person in possession of a negotiable tangible document of
44 title if the goods are deliverable either to bearer or to the order of the
45 person in possession; or

1 (c) The person in control of a negotiable electronic document of
2 title.

3 22. "Insolvency proceeding" includes an assignment for the benefit
4 of creditors or other proceeding intended to liquidate or rehabilitate the
5 estate of the person involved.

6 23. "Insolvent" means ANY OF THE FOLLOWING:

7 (a) Having generally ceased to pay debts in the ordinary course of
8 business other than as a result of bona fide dispute. ~~;~~

9 (b) Being unable to pay debts as they become due. ~~;~~ ~~or~~

10 (c) Being insolvent within the meaning of federal bankruptcy law.

11 24. "Money":

12 (a) Means a medium of exchange currently authorized or adopted by a
13 domestic or foreign government. ~~The term~~

14 (b) Includes a monetary unit of account established by an
15 intergovernmental organization or by agreement between two or more
16 countries.

17 (c) DOES NOT INCLUDE FEDERALLY RECOGNIZED CENTRAL BANK DIGITAL
18 CURRENCY.

19 25. "Organization" means a person other than an individual.

20 26. "Party", as distinguished from "third party", means a person
21 that has engaged in a transaction or made an agreement subject to this
22 title.

23 27. "Person" means an individual, corporation, business trust,
24 estate, trust, partnership, limited liability company, association, joint
25 venture, government, governmental subdivision, agency or instrumentality,
26 public corporation or any other legal or commercial entity.

27 28. "Present value" means the amount as of a date certain of one or
28 more sums payable in the future, discounted to the date certain by use of
29 either an interest rate specified by the parties if that rate is not
30 manifestly unreasonable at the time the transaction is entered into or, if
31 an interest rate is not so specified, a commercially reasonable rate that
32 takes into account the facts and circumstances at the time the transaction
33 is entered into.

34 29. "Purchase" means taking by sale, lease, discount, negotiation,
35 mortgage, pledge, lien, security interest, issue or reissue, gift or any
36 other voluntary transaction creating an interest in property.

37 30. "Purchaser" means a person that takes by purchase.

38 31. "Record" means information that is inscribed on a tangible
39 medium or that is stored in an electronic or other medium and is
40 retrievable in perceivable form.

41 32. "Remedy" means any remedial right to which an aggrieved party
42 is entitled with or without resort to a tribunal.

43 33. "Representative" means a person empowered to act for another,
44 including an agent, an officer of a corporation or association and a
45 trustee, executor or administrator of an estate.

1 34. "Right" includes remedy.

2 35. "Security interest" means an interest in personal property or
3 fixtures that secures payment or performance of an obligation. Security
4 interest includes any interest of a consignor and a buyer of accounts,
5 chattel paper, a payment intangible or a promissory note in a transaction
6 that is subject to chapter 9 of this title. Security interest does not
7 include the special property interest of a buyer of goods on
8 identification of those goods to a contract for sale under section
9 47-2401, but a buyer may also acquire a security interest by complying
10 with chapter 9 of this title. Except as otherwise provided in section
11 47-2505, the right of a seller or lessor of goods under chapter 2 or 2A of
12 this title to retain or acquire possession of the goods is not a security
13 interest, but a seller or lessor may also acquire a security interest by
14 complying with chapter 9 of this title. The retention or reservation of
15 title by a seller of goods notwithstanding shipment or delivery to the
16 buyer under section 47-2401 is limited in effect to a reservation of a
17 security interest. Whether a transaction in the form of a lease creates a
18 security interest is determined pursuant to section 47-1203.

19 36. "Send" in connection with a writing, record or notice means
20 EITHER OF THE FOLLOWING:

21 (a) To deposit in the mail or deliver for transmission by any other
22 usual means of communication with postage or cost of transmission provided
23 for and properly addressed and, in the case of an instrument, to an
24 address specified thereon or otherwise agreed, or if there is none to any
25 address reasonable under the circumstances. ~~;~~ ~~OR~~

26 (b) In any other way to cause to be received any record or notice
27 within the time it would have arrived if properly sent.

28 37. "Signed" includes using any symbol executed or adopted with
29 present intention to adopt or accept a writing.

30 38. "State" means a state of the United States, the District of
31 Columbia, Puerto Rico, the United States Virgin Islands or any territory
32 or insular possession subject to the jurisdiction of the United States.

33 39. "Surety" includes a guarantor or other secondary obligor.

34 40. "Term" means a portion of an agreement that relates to a
35 particular matter.

36 41. "Unauthorized signature":

37 (a) Means a signature made without actual, implied or apparent
38 authority. ~~The term~~

39 (b) Includes a forgery.

40 42. "Warehouse receipt" means a document of title issued by a
41 person engaged in the business of storing goods for hire.

42 43. "Writing" includes printing, typewriting or any other
43 intentional reduction to tangible form. "Written" has a corresponding
44 meaning.