

Senate Engrossed House Bill

~~appropriation; training simulators~~
(now: credit; luxury privilege tax; licenses)

State of Arizona
House of Representatives
Fifty-fifth Legislature
Second Regular Session
2022

HOUSE BILL 2543

AN ACT

AMENDING SECTION 42-3355, ARIZONA REVISED STATUTES; AMENDING TITLE 42, CHAPTER 3, ARTICLE 8, ARIZONA REVISED STATUTES, BY ADDING SECTION 42-3357; RELATING TO LUXURY PRIVILEGE TAX.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 42-3355, Arizona Revised Statutes, is amended to
3 read:

4 42-3355. Return and payment by farm wineries, manufacturers,
5 direct shipment licensees, microbreweries and
6 craft distillers; civil penalty; report

7 A. ~~Every~~ A farm winery selling vinous liquor at retail or to a
8 retail licensee pursuant to title 4, chapter 2 ~~THAT IS~~ manufactured or
9 produced on the premises, A producer of vinous liquor that sells at retail
10 pursuant to section 4-243.02 or A direct shipment licensee that sells
11 pursuant to section 4-203.04 shall pay the tax under this chapter on all
12 such liquor sold at retail or to a retail licensee within this state and
13 add the amount of the tax to the sales price.

14 B. ~~Every~~ A microbrewery selling malt liquor at retail or to a
15 retail licensee pursuant to title 4, chapter 2 ~~THAT IS~~ manufactured or
16 produced on the premises or a manufacturer of beer that sells at retail
17 pursuant to section 4-243.02 shall pay the tax under this chapter on all
18 malt liquor sold at retail or to a retail licensee within this state and
19 add the amount of the tax to the sales price.

20 C. ~~Every~~ A craft distiller selling spirituous liquor at retail or
21 to a retail licensee pursuant to title 4, chapter 2, ~~THAT IS~~ manufactured
22 or produced on the premises or a distiller of spirituous liquor that sells
23 at retail pursuant to section 4-243.02 shall pay the tax under this
24 chapter on all spirituous liquor sold at retail or to a retail licensee
25 within this state and add the amount of the tax to the sales price.

26 D. The farm winery, manufacturer, microbrewery, craft distiller or
27 direct shipment licensee shall pay the tax to the department ~~monthly~~
28 ~~ANNUALLY~~ on or before the twentieth day of the ~~FIRST~~ month ~~next~~ OF THE
29 ~~YEAR~~ succeeding the ~~month~~ YEAR in which the tax accrues.

30 E. On or before that date, the farm winery, manufacturer,
31 microbrewery, craft distiller or direct shipment licensee shall prepare a
32 sworn return for the ~~month~~ YEAR in which the tax accrues in the form
33 prescribed by the department, showing:

34 1. The amount of liquors or beer sold in this state during the
35 ~~month~~ YEAR in which the tax accrues.

36 2. The amount of tax for the period covered by the return.

37 3. Any other information that the department deems necessary for
38 the proper administration of this chapter.

39 F. The farm winery, manufacturer, microbrewery, craft distiller or
40 direct shipment licensee shall deliver the return, together with a
41 remittance of the amount of the tax due, to the department.

42 G. ~~Any~~ A taxpayer that fails to pay the tax within ten days after
43 the date on which the payment becomes due is subject to and shall pay a
44 penalty determined under section 42-1125, plus interest at the rate

1 determined pursuant to section 42-1123 from the time the tax was due and
2 payable until paid.

3 H. For reporting periods beginning from and after December 31,
4 2019, or when the department has established an electronic filing program,
5 whichever is later, ~~each~~ A taxpayer shall file electronically any report
6 or return required under this chapter. The report or return is considered
7 to be filed and received by the department on the date of the electronic
8 postmark pursuant to section 42-1105.02.

9 Sec. 2. Title 42, chapter 3, article 8, Arizona Revised Statutes,
10 is amended by adding section 42-3357, to read:

11 42-3357. Credit for craft distillers, farm wineries and
12 microbreweries

13 A. A CREDIT IS ALLOWED AGAINST THE TAXES IMPOSED BY THIS CHAPTER AS
14 FOLLOWS:

15 1. FOR A TAXPAYER THAT HOLDS A LICENSE PURSUANT TO SECTION 4-205.10
16 AND THAT PAID THE TAX IMPOSED PURSUANT TO SECTION 42-3052, PARAGRAPH 1, AN
17 AMOUNT OF \$2 PER GALLON OR A PROPORTIONATE RATE FOR ANY LESSER OR GREATER
18 QUANTITY THAN ONE GALLON FOR THE FIRST TWENTY THOUSAND GALLONS PRODUCED.

19 2. FOR A TAXPAYER THAT HOLDS A LICENSE PURSUANT TO SECTION 4-205.04
20 AND THAT PAID THE TAX IMPOSED PURSUANT TO SECTION 42-3052, PARAGRAPH 2, AN
21 AMOUNT OF \$.50 PER GALLON OR A PROPORTIONATE RATE FOR ANY LESSER OR
22 GREATER QUANTITY THAN ONE GALLON FOR THE FIRST TWENTY THOUSAND GALLONS
23 PRODUCED.

24 3. FOR A TAXPAYER THAT HOLDS A LICENSE PURSUANT TO SECTION 4-205.08
25 AND THAT PAID THE TAX IMPOSED PURSUANT TO SECTION 42-3052, PARAGRAPH 4, AN
26 AMOUNT OF \$.10 PER GALLON OR A PROPORTIONATE RATE FOR ANY LESSER OR
27 GREATER QUANTITY THAN ONE GALLON FOR THE FIRST FIVE HUNDRED THOUSAND
28 GALLONS PRODUCED.

29 B. A TAXPAYER SHALL CLAIM THE CREDIT FOR EACH TAX PERIOD ON FORMS
30 PRESCRIBED AND FURNISHED BY THE DEPARTMENT, WHICH MAY BE INCORPORATED IN
31 THE RETURN FORM PRESCRIBED PURSUANT TO THIS CHAPTER. A CLAIM FOR CREDIT
32 IS NOT ALLOWED IF THE TAXPAYER FAILS TO PAY THE TAX DUE, PLUS ANY
33 ESTIMATED TAX LIABILITY, BEFORE THE PAYMENT BECOMES DELINQUENT. THE
34 DEPARTMENT SHALL RECAPTURE ANY CREDIT AMOUNTS CLAIMED BY THE TAXPAYER BUT
35 DISALLOWED.

36 C. THE CREDITS UNDER THIS SECTION MAY NOT BE REMOVED FROM THE
37 ALLOCATIONS PRESCRIBED IN SECTION 42-3106.

38 Sec. 3. Effective date

39 This act is effective from and after December 31, 2022.