

Senate Engrossed
internal revenue code; conformity

State of Arizona
Senate
Fifty-fifth Legislature
Second Regular Session
2022

SENATE BILL 1264

AN ACT

AMENDING SECTIONS 42-1001 AND 43-105, ARIZONA REVISED STATUTES; RELATING
TO TAXATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 42-1001, Arizona Revised Statutes, is amended to
3 read:

4 42-1001. Definitions

5 In this title, unless the context otherwise requires:

6 1. "Board" or "state board" means either the state board of tax
7 appeals or the state board of equalization, as applicable.

8 2. "Court" means the tax court or superior court, whichever is
9 applicable.

10 3. "Department" means the department of revenue.

11 4. "Director" means the director of the department.

12 5. "Electronically send" or "send electronically" means to send by
13 either email or the use of an electronic portal.

14 6. "Electronic portal" means a secure location on a website
15 established by the department that requires the receiver to enter a
16 password to access.

17 7. "Email" means:

18 (a) An electronic transmission of a message to an email address.

19 (b) If the message contains confidential information, the
20 electronic transmission of a message to an email address using encryption
21 software that requires the receiver to enter a password before the message
22 can be retrieved and viewed.

23 8. "Internal revenue code" means the United States internal revenue
24 code of 1986, as amended and in effect as of ~~March 11, 2021~~ JANUARY 1,
25 2022, including those provisions that became effective during ~~2020~~ 2021
26 with the specific adoption of their retroactive effective dates but
27 excluding all changes to the code enacted after ~~March 11, 2021~~ JANUARY 1,
28 2022.

29 Sec. 2. Section 43-105, Arizona Revised Statutes, is amended to
30 read:

31 43-105. Internal revenue code; definition; application

32 A. FOR THE PURPOSES OF COMPUTING INCOME TAX PURSUANT TO THIS TITLE,
33 FOR TAXABLE YEARS BEGINNING FROM AND AFTER DECEMBER 31, 2021, "INTERNAL
34 REVENUE CODE" MEANS THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS
35 AMENDED, IN EFFECT ON JANUARY 1, 2022, INCLUDING THOSE PROVISIONS THAT
36 BECAME EFFECTIVE DURING 2021 WITH THE SPECIFIC ADOPTION OF ALL RETROACTIVE
37 EFFECTIVE DATES, BUT EXCLUDING ANY CHANGES TO THE CODE ENACTED AFTER
38 JANUARY 1, 2022.

39 ~~A.~~ B. For the purposes of computing income tax pursuant to this
40 title, for taxable years beginning from and after December 31, 2020
41 THROUGH DECEMBER 31, 2021, "internal revenue code" means the United States
42 internal revenue code of 1986, as amended, in effect on March 11, 2021,
43 including those provisions that became effective during 2020 with the
44 specific adoption of all retroactive effective dates, ~~but excluding any~~
45 ~~changes to the code enacted after March 11, 2021~~ AND INCLUDING THOSE

1 PROVISIONS OF THE PPP EXTENSION ACT OF 2021 (P.L. 117-6) AND THE
2 INFRASTRUCTURE INVESTMENT AND JOBS ACT (P.L. 117-58) THAT ARE
3 RETROACTIVELY EFFECTIVE DURING TAXABLE YEARS BEGINNING FROM AND AFTER
4 DECEMBER 31, 2020 THROUGH DECEMBER 31, 2021.

5 ~~B.~~ C. For the purposes of computing income tax pursuant to this
6 title, for taxable years beginning from and after December 31, 2019
7 through December 31, 2020, "internal revenue code" means the United States
8 internal revenue code of 1986, as amended, in effect on January 1, 2020,
9 including those provisions that became effective during 2019 with the
10 specific adoption of all retroactive effective dates, and including those
11 provisions of the families first coronavirus response act (P.L. 116-127),
12 the coronavirus aid, relief, and economic security act (P.L. 116-136), the
13 paycheck protection program flexibility act of 2020 (P.L. 116-142), the
14 consolidated appropriations act, 2021 (P.L. 116-260) and the American
15 rescue plan act of 2021 (P.L. 117-2) that are retroactively effective
16 during taxable years beginning from and after December 31, 2019 through
17 December 31, 2020.

18 ~~C.~~ D. For the purposes of computing income tax pursuant to this
19 title, for taxable years beginning from and after December 31, 2018
20 through December 31, 2019, "internal revenue code" means the United States
21 internal revenue code of 1986, as amended, in effect on January 1, 2019,
22 including those provisions that became effective during 2018 with the
23 specific adoption of all retroactive effective dates, and including those
24 provisions of the taxpayer first act (P.L. 116-25), the further
25 consolidated appropriations act, 2020 (P.L. 116-94), the coronavirus aid,
26 relief, and economic security act (P.L. 116-136) and the consolidated
27 appropriations act, 2021 (P.L. 116-260) that are retroactively effective
28 during taxable years beginning from and after December 31, 2018 through
29 December 31, 2019.

30 ~~D.~~ E. For the purposes of computing income tax pursuant to this
31 title, for taxable years beginning from and after December 31, 2017
32 through December 31, 2018, "internal revenue code" means the United States
33 internal revenue code of 1986, as amended, in effect on January 1, 2018,
34 including those provisions that became effective during 2017 with the
35 specific adoption of all retroactive effective dates, and including those
36 provisions of the bipartisan budget act of 2018 (P.L. 115-123), the
37 consolidated appropriations act, 2018 (P.L. 115-141), the further
38 consolidated appropriations act, 2020 (P.L. 116-94), the coronavirus aid,
39 relief, and economic security act (P.L. 116-136) and the consolidated
40 appropriations act, 2021 (P.L. 116-260) that are retroactively effective
41 during taxable years beginning from and after December 31, 2017 through
42 December 31, 2018.

1 ~~F.~~ F. For the purposes of computing income tax pursuant to this
2 title, for taxable years beginning from and after December 31, 2016
3 through December 31, 2017, "internal revenue code" means the United States
4 internal revenue code of 1986, as amended, in effect on January 1, 2017,
5 including those provisions that became effective during 2016 with the
6 specific adoption of all federal retroactive effective dates, and
7 including those provisions of the disaster tax relief and airport and
8 airway extension act of 2017 (P.L. 115-63), the tax cuts and jobs act
9 (P.L. 115-97), the bipartisan budget act of 2018 (P.L. 115-123), the
10 consolidated appropriations act, 2018 (P.L. 115-141), the further
11 consolidated appropriations act, 2020 (P.L. 116-94) and the coronavirus
12 aid, relief, and economic security act (P.L. 116-136) that are
13 retroactively effective during taxable years beginning from and after
14 December 31, 2016 through December 31, 2017.

15 ~~F.~~ G. For the purposes of computing income tax pursuant to this
16 title, for taxable years beginning from and after December 31, 2015
17 through December 31, 2016, "internal revenue code" means the United States
18 internal revenue code of 1986, as amended, in effect on January 1, 2016,
19 including those provisions that became effective during 2015 with the
20 specific adoption of all federal retroactive effective dates, and
21 including those provisions of the United States appreciation for olympians
22 and paralympians act of 2016 (P.L. 114-239), the tax cuts and jobs act
23 (P.L. 115-97), the consolidated appropriations act, 2018 (P.L. 115-141),
24 the further consolidated appropriations act, 2020 (P.L. 116-94) and the
25 coronavirus aid, relief, and economic security act (P.L. 116-136) that are
26 retroactively effective during taxable years beginning from and after
27 December 31, 2015 through December 31, 2016.

28 ~~G.~~ H. For the purposes of computing income tax pursuant to this
29 title, for taxable years beginning from and after December 31, 2014
30 through December 31, 2015, "internal revenue code" means the United States
31 internal revenue code of 1986, as amended, in effect on January 1, 2015,
32 including those provisions that became effective during 2014 with the
33 specific adoption of all federal retroactive effective dates, and
34 including those provisions of the slain officer family support act of 2015
35 (P.L. 114-7), the don't tax our fallen public safety heroes act
36 (P.L. 114-14), the surface transportation and veterans health care choice
37 improvement act of 2015 (P.L. 114-41), the consolidated appropriations
38 act, 2016 (P.L. 114-113), the consolidated appropriations act, 2018
39 (P.L. 115-141) and the coronavirus aid, relief, and economic security act
40 (P.L. 116-136) that are retroactively effective during taxable years
41 beginning from and after December 31, 2014 through December 31, 2015.

42 ~~H.~~ I. For the purposes of computing income tax pursuant to this
43 title, for taxable years beginning from and after December 31, 2013
44 through December 31, 2014, "internal revenue code" means the United States
45 internal revenue code of 1986, as amended, in effect on January 1, 2014,

1 including those provisions that became effective during 2013 with the
2 specific adoption of all federal retroactive effective dates, and
3 including those provisions of the Philippines charitable giving assistance
4 act (P.L. 113-92), the Gabriella Miller kids first research act
5 (P.L. 113-94), the cooperative and small employer charity pension
6 flexibility act (P.L. 113-97), the highway and transportation funding act
7 of 2014 (P.L. 113-159), the tribal general welfare exclusion act of 2014
8 (P.L. 113-168), the consolidated and further continuing appropriations
9 act, 2015 (P.L. 113-235), the 2014 airline bankruptcy payments rollover
10 act (P.L. 113-243), the tax increase prevention act of 2014
11 (P.L. 113-295), the slain officer family support act of 2015 (P.L. 114-7),
12 the consolidated appropriations act, 2016 (P.L. 114-113) and the
13 coronavirus aid, relief, and economic security act (P.L. 116-136) that are
14 retroactively effective during taxable years beginning from and after
15 December 31, 2013 through December 31, 2014.

16 ~~F.~~ J. For the purposes of computing income tax pursuant to this
17 title, for taxable years beginning from and after December 31, 2012
18 through December 31, 2013, "internal revenue code" means the United States
19 internal revenue code of 1986, as amended, in effect on January 3, 2013,
20 including those provisions that became effective during 2012 with the
21 specific adoption of all federal retroactive effective dates, and
22 including those provisions of the Philippines charitable giving assistance
23 act (P.L. 113-92), the highway and transportation funding act of 2014
24 (P.L. 113-159), the tribal general welfare exclusion act of 2014
25 (P.L. 113-168), the 2014 airline bankruptcy payments rollover act
26 (P.L. 113-243), the tax technical corrections act of 2014 (P.L. 113-295,
27 division A, title II), the consolidated appropriations act, 2016
28 (P.L. 114-113) and the coronavirus aid, relief, and economic security act
29 (P.L. 116-136) that are retroactively effective during taxable years
30 beginning from and after December 31, 2012 through December 31, 2013.

31 ~~G.~~ K. For the purposes of computing income tax pursuant to this
32 title, for taxable years beginning from and after December 31, 2011
33 through December 31, 2012, "internal revenue code" means the United States
34 internal revenue code of 1986, as amended, in effect on January 1, 2012,
35 including those provisions that became effective during 2011 with the
36 specific adoption of all federal retroactive effective dates, and
37 including those provisions of the FAA modernization and reform act of 2012
38 (P.L. 112-95), the moving ahead for progress in the 21st century act
39 (P.L. 112-141), the American taxpayer relief act of 2012 (P.L. 112-240),
40 the 2014 airline bankruptcy payments rollover act (P.L. 113-243), the
41 tribal general welfare exclusion act of 2014 (P.L. 113-168), the tax
42 technical corrections act of 2014 (P.L. 113-295, division A, title II) and
43 the consolidated appropriations act, 2016 (P.L. 114-113) that are
44 retroactively effective during taxable years beginning from and after
45 December 31, 2011 through December 31, 2012.

1 ~~K. For the purposes of computing income tax pursuant to this title,~~
2 ~~for taxable years beginning from and after December 31, 2010 through~~
3 ~~December 31, 2011, "internal revenue code" means the United States~~
4 ~~internal revenue code of 1986, as amended, in effect on January 1, 2011,~~
5 ~~including those provisions that became effective during 2010 with the~~
6 ~~specific adoption of all federal retroactive effective dates, and~~
7 ~~including those provisions of Public Law 112-40, the moving ahead for~~
8 ~~progress in the 21st century act (P.L. 112-141), the American taxpayer~~
9 ~~relief act of 2012 (P.L. 112-240), the tribal general welfare exclusion~~
10 ~~act of 2014 (P.L. 113-168) and the tax technical corrections act of 2014~~
11 ~~(P.L. 113-295, division A, title II) that are retroactively effective~~
12 ~~during taxable years beginning from and after December 31, 2010 through~~
13 ~~December 31, 2011.~~