

Senate Engrossed

internal revenue code; conformity

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

## CHAPTER 41

# 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.~~

APPROVED BY THE GOVERNOR MARCH 23, 2022.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 23, 2022.