

REFERENCE TITLE: **blockchain technology; tax; fee; prohibition**

State of Arizona
Senate
Fifty-sixth Legislature
First Regular Session
2023

SB 1236

Introduced by
Senator Rogers

AN ACT

AMENDING SECTIONS 9-500.42 AND 11-269.22, ARIZONA REVISED STATUTES;
RELATING TO LOCAL GOVERNMENTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 9-500.42, Arizona Revised Statutes, is amended
3 to read:

4 9-500.42. Prohibition on regulation of running node on
5 blockchain technology; taxation; state
6 preemption; definitions

7 A. A city or town may not prohibit or otherwise restrict an
8 individual from running a node on blockchain technology in a residence.

9 B. A CITY OR TOWN MAY NOT IMPOSE A TAX OR FEE ON THE USE OF
10 BLOCKCHAIN TECHNOLOGY BY ANY PERSON OR ENTITY.

11 ~~B.~~ C. The regulation of the act of running a node on blockchain
12 technology in a residence AND THE IMPOSITION OF A TAX OR FEE FOR USING
13 BLOCKCHAIN TECHNOLOGY is of statewide concern and not subject to further
14 regulation by a city or town.

15 ~~C.~~ D. For the purposes of this section: ~~;~~

16 1. "BLOCKCHAIN TECHNOLOGY" HAS THE SAME MEANING PRESCRIBED IN
17 SECTION 44-7061.

18 2. "Running a node on blockchain technology" means providing
19 computing power to validate or encrypt transactions in blockchain
20 technology ~~as defined in section 44-7061.~~

21 Sec. 2. Section 11-269.22, Arizona Revised Statutes, is amended to
22 read:

23 11-269.22. Prohibition on regulation of running node on
24 blockchain technology; taxation; state
25 preemption; definitions

26 A. A county may not prohibit or otherwise restrict an individual
27 from running a node on blockchain technology in a residence.

28 B. A COUNTY MAY NOT IMPOSE A TAX OR FEE ON THE USE OF BLOCKCHAIN
29 TECHNOLOGY BY ANY PERSON OR ENTITY.

30 ~~B.~~ C. The regulation of the act of running a node on blockchain
31 technology in a residence AND THE IMPOSITION OF A TAX OR FEE FOR USING
32 BLOCKCHAIN TECHNOLOGY is of statewide concern and not subject to further
33 regulation by a county.

34 ~~C.~~ D. For the purposes of this section: ~~;~~

35 1. "BLOCKCHAIN TECHNOLOGY" HAS THE SAME MEANING PRESCRIBED IN
36 SECTION 44-7061.

37 2. "Running a node on blockchain technology" means providing
38 computing power to validate or encrypt transactions in blockchain
39 technology ~~as defined in section 44-7061.~~