

Senate Engrossed

small businesses; income tax; rate

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

SENATE BILL 1260

AN ACT

AMENDING SECTION 43-1711, ARIZONA REVISED STATUTES; RELATING TO SMALL
BUSINESS INCOME TAX.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 43-1711, Arizona Revised Statutes, is amended to
3 read:

4 43-1711. Taxes and tax rate

5 If an Arizona small business taxpayer makes the election pursuant to
6 section 43-302, there shall be levied, collected and paid for each taxable
7 year on the Arizona small business taxable income taxes as determined in
8 the following manner:

9 1. For taxable years beginning from and after December 31, 2020
10 through December 31, 2021, an amount equal to 3.5% of the Arizona small
11 business taxable income.

12 2. For taxable years beginning from and after December 31, 2021
13 through December 31, 2022, an amount equal to 3.0% of the Arizona small
14 business taxable income.

15 ~~3. For taxable years beginning from and after December 31, 2022~~
16 ~~through December 31, 2024, an amount equal to 2.8% of the Arizona small~~
17 ~~business taxable income.~~

18 ~~4.~~ 3. For taxable years beginning from and after December 31,
19 ~~2024~~ 2022, an amount equal to 2.5% of the Arizona small business taxable
20 income.

21 Sec. 2. Retroactivity

22 This act applies retroactively to taxable years beginning from and
23 after December 31, 2022.