

Senate Engrossed

small businesses; income tax; rate

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

CHAPTER 67

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.

APPROVED BY THE GOVERNOR APRIL 18, 2023.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 18, 2023.