House Engrossed

FILED
KEN BENNETT
SECRETARY OF STATE

State of Arizona
House of Representatives
Fifty-first Legislature
Second Regular Session
2014

CHAPTER 10

HOUSE BILL 2377

AN ACT

AMENDING SECTION 43-1011, ARIZONA REVISED STATUTES; RELATING TO INDIVIDUAL INCOME TAX RATES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Section 43-1011, Arizona Revised Statutes, is amended to read:

43-1011. Taxes and tax rates

A. There shall be levied, collected and paid for each taxable year ~~upon~~ ON the entire taxable income of every resident of this state and ~~upon~~ ON the entire taxable income of every nonresident ~~which~~ THAT is derived from sources within this state taxes determined in the following manner:

1. For taxable years beginning from and after December 31, 1996 through December 31, 1997:

(a) In the case of a single person or a married person filing separately:

If taxable income is:	The tax is:
$0 - $10,000	2.90% of taxable income
$10,001 - $25,000	$290, plus 3.30% of the excess over $10,000
$25,001 - $50,000	$785, plus 3.90% of the excess over $25,000
$50,001 - $150,000	$1,760, plus 4.80% of the excess over $50,000
$150,001 and over	$6,560, plus 5.17% of the excess over $150,000

(b) In the case of a married couple filing a joint return or a single person who is a head of a household:

If taxable income is:	The tax is:
$0 - $20,000	2.90% of taxable income
$20,001 - $50,000	$580, plus 3.30% of the excess over $20,000
$50,001 - $100,000	$1,570, plus 3.90% of the excess over $50,000
$100,001 - $300,000	$3,520, plus 4.80% of the excess over $100,000
$300,001 and over	$13,120, plus 5.17% of the excess over $300,000

2. For taxable years beginning from and after December 31, 1997 through December 31, 1998:

(a) In the case of a single person or a married person filing separately:

If taxable income is:	The tax is:
$0 - $10,000	2.88% of taxable income
$10,001 - $25,000	$288, plus 3.24% of the excess over $10,000
$25,001 - $50,000	$774, plus 3.82% of the excess over $25,000
$50,001 - $150,000	$1,729, plus 4.74% of the excess over $50,000
$150,001 and over	$6,469, plus 5.10% of the excess over $150,000

(b) In the case of a married couple filing a joint return or a single person who is a head of a household:

If taxable income is:	The tax is:
$0 - $20,000	2.88% of taxable income
$20,001 - $50,000	$576, plus 3.24% of the excess over $20,000
$50,001 - $100,000	$1,548, plus 3.82% of the excess over $50,000
$100,001 - $300,000	$3,458, plus 4.74% of the excess over $100,000
$300,001 and over	$12,938, plus 5.10% of the excess over $300,000

3. For taxable years beginning from and after December 31, 1998 through December 31, 2005:

(a) In the case of a single person or a married person filing separately:

If taxable income is:	The tax is:
$0 - $10,000	2.87% of taxable income
$10,001 - $25,000	$287, plus 3.20% of the excess over $10,000
$25,001 - $50,000	$767, plus 3.74% of the excess over $25,000
$50,001 - $150,000	$1,702, plus 4.72% of the excess over $50,000
$150,001 and over	$6,422, plus 5.04% of the excess over $150,000

(b) In the case of a married couple filing a joint return or a single person who is a head of a household:

If taxable income is:	The tax is:
$0 - $20,000	2.87% of taxable income
$20,001 - $50,000	$574, plus 3.20% of the excess over $20,000
$50,001 - $100,000	$1,534, plus 3.74% of the excess over $50,000
$100,001 - $300,000	$3,404, plus 4.72% of the excess over $100,000
$300,001 and over	$12,844, plus 5.04% of the excess over $300,000

4. For taxable years beginning from and after December 31, 2005 through December 31, 2006:

(a) In the case of a single person or a married person filing separately:

If taxable income is:	The tax is:
$0 - $10,000	2.73% of taxable income
$10,001 - $25,000	$273, plus 3.04% of the excess over $10,000
$25,001 - $50,000	$729, plus 3.55% of the excess over $25,000
$50,001 - $150,000	$1,617, plus 4.48% of the excess over $50,000
$150,001 and over	$6,097, plus 4.79% of the excess over $150,000

(b) In the case of a married couple filing a joint return or a single person who is a head of a household:

If taxable income is:	The tax is:
$0 - $20,000	2.73% of taxable income
$20,001 - $50,000	$546, plus 3.04% of the excess over $20,000
$50,001 - $100,000	$1,458, plus 3.55% of the excess over $50,000
$100,001 - $300,000	$3,233, plus 4.48% of the excess over $100,000
$300,001 and over	$12,193, plus 4.79% of the excess over $300,000

5. SUBJECT TO SUBSECTION B OF THIS SECTION, for taxable years beginning from and after December 31, 2006:

(a) In the case of a single person or a married person filing separately:

If taxable income is:	The tax is:
$0 - $10,000	2.59% of taxable income
$10,001 - $25,000	$259, plus 2.88% of the excess over $10,000
$25,001 - $50,000	$691, plus 3.36% of the excess over $25,000

$50,001 - $150,000	$1,531, plus 4.24% of the excess over $50,000
$150,001 and over	$5,771, plus 4.54% of the excess over $150,000

(b) In the case of a married couple filing a joint return or a single person who is a head of a household:

If taxable income is:	The tax is:
$0 - $20,000	2.59% of taxable income
$20,001 - $50,000	$518, plus 2.88% of the excess over $20,000
$50,001 - $100,000	$1,382, plus 3.36% of the excess over $50,000
$100,001 -$300,000	$3,062, plus 4.24% of the excess over $100,000
$300,001 and over	$11,542, plus 4.54% of the excess over $300,000

B. FOR THE TAXABLE YEAR BEGINNING FROM AND AFTER DECEMBER 31, 2014 THROUGH DECEMBER 31, 2015, THE DEPARTMENT SHALL ADJUST THE INCOME DOLLAR AMOUNTS FOR EACH RATE BRACKET PRESCRIBED BY SUBSECTION A, PARAGRAPH 5 OF THIS SECTION ACCORDING TO THE AVERAGE ANNUAL CHANGE IN THE METROPOLITAN PHOENIX CONSUMER PRICE INDEX PUBLISHED BY THE UNITED STATES BUREAU OF LABOR STATISTICS. THE REVISED DOLLAR AMOUNTS SHALL BE RAISED TO THE NEAREST WHOLE DOLLAR. THE INCOME DOLLAR AMOUNTS FOR EACH RATE BRACKET SHALL NOT BE REVISED BELOW THE AMOUNTS PRESCRIBED IN THE PRIOR TAXABLE YEAR.

APPROVED BY THE GOVERNOR APRIL 11, 2014.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 11, 2014.

Passed the House March 4, 2014

by the following vote: 35 Ayes,

0 Nays, 5 Not Voting

Speaker of the House
Pro Tempore

Cheryl Laube
Chief Clerk of the House

Passed the Senate April 1, 2014

by the following vote: 18 Ayes,

11 Nays, 1 Not Voting

President of the Senate

Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

8 day of April, 2014

at 3:35 o'clock P M.

Mikhaila Howard
Secretary to the Governor

Approved this 11th day of

April

at 12:11 o'clock P. M.

Janice K. Brewer
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 11th day of April, 2014

at 2:31 o'clock P M.

Ken Bennett
Secretary of State

H.B. 2377