

House Engrossed

**FILED**  
**MICHELE REAGAN**  
**SECRETARY OF STATE**

State of Arizona  
House of Representatives  
Fifty-second Legislature  
First Regular Session  
2015

CHAPTER 91

# **HOUSE BILL 2001**

AN ACT

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

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2 Section 1. Section 43-1011, Arizona Revised Statutes, is amended to  
3 read:

4 43-1011. Taxes and tax rates

5 A. There shall be levied, collected and paid for each taxable year on  
6 the entire taxable income of every resident of this state and on the entire  
7 taxable income of every nonresident that is derived from sources within this  
8 state taxes determined in the following manner:

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

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

13	<u>If taxable income is:</u>	<u>The tax is:</u>
14	\$0 - \$10,000	2.90% of taxable income
15	\$10,001 - \$25,000	\$290, plus 3.30% of the excess over \$10,000
16	\$25,001 - \$50,000	\$785, plus 3.90% of the excess over \$25,000
17	\$50,001 - \$150,000	\$1,760, plus 4.80% of the excess over \$50,000
18	\$150,001 and over	\$6,560, plus 5.17% of the excess over \$150,000

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

21	<u>If taxable income is:</u>	<u>The tax is:</u>
22	\$0 - \$20,000	2.90% of taxable income
23	\$20,001 - \$50,000	\$580, plus 3.30% of the excess over \$20,000
24	\$50,001 - \$100,000	\$1,570, plus 3.90% of the excess over \$50,000
25	\$100,001 - \$300,000	\$3,520, plus 4.80% of the excess over \$100,000
26	\$300,001 and over	\$13,120, plus 5.17% of the excess over \$300,000

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

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

31	<u>If taxable income is:</u>	<u>The tax is:</u>
32	\$0 - \$10,000	2.88% of taxable income
33	\$10,001 - \$25,000	\$288, plus 3.24% of the excess over \$10,000
34	\$25,001 - \$50,000	\$774, plus 3.82% of the excess over \$25,000
35	\$50,001 - \$150,000	\$1,729, plus 4.74% of the excess over \$50,000
36	\$150,001 and over	\$6,469, plus 5.10% of the excess over \$150,000

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

39	<u>If taxable income is:</u>	<u>The tax is:</u>
40	\$0 - \$20,000	2.88% of taxable income
41	\$20,001 - \$50,000	\$576, plus 3.24% of the excess over \$20,000
42	\$50,001 - \$100,000	\$1,548, plus 3.82% of the excess over \$50,000
43	\$100,001 - \$300,000	\$3,458, plus 4.74% of the excess over \$100,000
44	\$300,001 and over	\$12,938, plus 5.10% of the excess over \$300,000

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

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

5 If taxable income is: The tax is:

6 \$0 - \$10,000 2.87% of taxable income  
7 \$10,001 - \$25,000 \$287, plus 3.20% of the excess over \$10,000  
8 \$25,001 - \$50,000 \$767, plus 3.74% of the excess over \$25,000  
9 \$50,001 - \$150,000 \$1,702, plus 4.72% of the excess over \$50,000  
10 \$150,001 and over \$6,422, plus 5.04% of the excess over \$150,000

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

13 If taxable income is: The tax is:

14 \$0 - \$20,000 2.87% of taxable income  
15 \$20,001 - \$50,000 \$574, plus 3.20% of the excess over \$20,000  
16 \$50,001 - \$100,000 \$1,534, plus 3.74% of the excess over \$50,000  
17 \$100,001 - \$300,000 \$3,404, plus 4.72% of the excess over \$100,000  
18 \$300,001 and over \$12,844, plus 5.04% of the excess over \$300,000

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

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

23 If taxable income is: The tax is:

24 \$0 - \$10,000 2.73% of taxable income  
25 \$10,001 - \$25,000 \$273, plus 3.04% of the excess over \$10,000  
26 \$25,001 - \$50,000 \$729, plus 3.55% of the excess over \$25,000  
27 \$50,001 - \$150,000 \$1,617, plus 4.48% of the excess over \$50,000  
28 \$150,001 and over \$6,097, plus 4.79% of the excess over \$150,000

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

31 If taxable income is: The tax is:

32 \$0 - \$20,000 2.73% of taxable income  
33 \$20,001 - \$50,000 \$546, plus 3.04% of the excess over \$20,000  
34 \$50,001 - \$100,000 \$1,458, plus 3.55% of the excess over \$50,000  
35 \$100,001 - \$300,000 \$3,233, plus 4.48% of the excess over \$100,000  
36 \$300,001 and over \$12,193, plus 4.79% of the excess over \$300,000

37 5. Subject to subsection B AND C of this section, for taxable years  
38 beginning from and after December 31, 2006:

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

41 If taxable income is: The tax is:

42 \$0 - \$10,000 2.59% of taxable income  
43 \$10,001 - \$25,000 \$259, plus 2.88% of the excess over \$10,000  
44 \$25,001 - \$50,000 \$691, plus 3.36% of the excess over \$25,000

1           \$50,001 - \$150,000       \$1,531, plus 4.24% of the excess over \$50,000  
2           \$150,001 and over       \$5,771, plus 4.54% of the excess over \$150,000

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

5           If taxable income is: The tax is:  
6           \$0 - \$20,000           2.59% of taxable income  
7           \$20,001 - \$50,000       \$518, plus 2.88% of the excess over \$20,000  
8           \$50,001 - \$100,000     \$1,382, plus 3.36% of the excess over \$50,000  
9           \$100,001 - \$300,000     \$3,062, plus 4.24% of the excess over \$100,000  
10          \$300,001 and over       \$11,542, plus 4.54% of the excess over \$300,000

11          B. For the taxable year beginning from and after December 31, 2014  
12 through December 31, 2015, the department shall adjust the income dollar  
13 amounts for each rate bracket prescribed by subsection A, paragraph 5 of this  
14 section according to the average annual change in the metropolitan phoenix  
15 consumer price index published by the United States bureau of labor  
16 statistics. The revised dollar amounts shall be raised to the nearest whole  
17 dollar. The income dollar amounts for each rate bracket ~~shall~~ MAY not be  
18 revised below the amounts prescribed in the prior taxable year.

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

APPROVED BY THE GOVERNOR MARCH 30, 2015.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 31, 2015.

Passed the House February 9, 20 15

by the following vote: 38 Ayes,

21 Nays, 1 Not Voting

[Signature]  
Speaker of the House

[Signature]  
Chief Clerk of the House

Passed the Senate March 24, 20 15

by the following vote: 18 Ayes,

10 Nays, 2 Not Voting

[Signature]  
President of the Senate

[Signature]  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill received by the Governor this

25<sup>th</sup> day of March, 20 15

at 3:31 o'clock P. M.

[Signature]  
Secretary to the Governor

Approved this 30<sup>th</sup> day of

March

at 1:46 o'clock P. M.

[Signature]  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 31<sup>st</sup> day of March, 20 15

at 10:00 o'clock A M.

[Signature]  
Secretary of State

H.B. 2001