

COMMITTEE ON WAYS AND MEANS
HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2151
(Reference to printed bill)

1 Page 1, between lines 19 and 20, insert:

2 "Sec. 2. Section 43-1021, Arizona Revised Statutes, is amended to
3 read:

4 43-1021. Additions to Arizona gross income

5 In computing Arizona adjusted gross income, the following amounts shall
6 be added to Arizona gross income:

7 1. A beneficiary's share of the fiduciary adjustment to the extent
8 that the amount determined by section 43-1333 increases the beneficiary's
9 Arizona gross income.

10 2. An amount equal to the ordinary income portion of a lump sum
11 distribution that was excluded from federal adjusted gross income pursuant to
12 the special rule for individuals who attained fifty years of age before
13 January 1, 1986 under Public Law 99-514, section 1122(h)(3).

14 3. The amount of interest income received on obligations of any state,
15 territory or possession of the United States, or any political subdivision
16 thereof, located outside the state of Arizona, reduced, for tax years
17 beginning from and after December 31, 1996, by the amount of any interest on
18 indebtedness and other related expenses that were incurred or continued to
19 purchase or carry those obligations and that are not otherwise deducted or
20 subtracted in arriving at Arizona gross income.

21 4. The excess of a partner's share of partnership taxable income
22 required to be included under chapter 14, article 2 of this title over the

1 income required to be reported under section 702(a)(8) of the internal
2 revenue code.

3 5. The excess of a partner's share of partnership losses determined
4 pursuant to section 702(a)(8) of the internal revenue code over the losses
5 allowable under chapter 14, article 2 of this title.

6 6. The amount by which the adjusted basis of property described in
7 this paragraph and computed pursuant to the internal revenue code exceeds the
8 adjusted basis of such property computed pursuant to this title and the
9 income tax act of 1954, as amended. This paragraph shall apply to all
10 property that is held for the production of income and that is sold or
11 otherwise disposed of during the taxable year, except depreciable property
12 used in a trade or business.

13 7. Any amount of agricultural water conservation expenses that were
14 deducted pursuant to the internal revenue code for which a credit is claimed
15 under section 43-1084.

16 8. The amount by which the depreciation or amortization computed under
17 the internal revenue code with respect to property for which a credit was
18 taken under section 43-1080 exceeds the amount of depreciation or
19 amortization computed pursuant to the internal revenue code on the Arizona
20 adjusted basis of the property.

21 9. The amount by which the adjusted basis computed under the internal
22 revenue code with respect to property for which a credit was claimed under
23 section 43-1080 and that is sold or otherwise disposed of during the taxable
24 year exceeds the adjusted basis of the property computed under section
25 43-1080.

26 10. The amount by which the depreciation or amortization computed under
27 the internal revenue code with respect to property for which a credit was
28 taken under either section 43-1081 or 43-1081.01 exceeds the amount of
29 depreciation or amortization computed pursuant to the internal revenue code
30 on the Arizona adjusted basis of the property.

31 11. The amount by which the adjusted basis computed under the internal
32 revenue code with respect to property for which a credit was claimed under

1 section 43-1074.02, 43-1081 or 43-1081.01 and that is sold or otherwise
2 disposed of during the taxable year exceeds the adjusted basis of the
3 property computed under section 43-1074.02, 43-1081 or 43-1081.01, as
4 applicable.

5 12. The deduction referred to in section 1341(a)(4) of the internal
6 revenue code for restoration of a substantial amount held under a claim of
7 right.

8 13. The amount by which a net operating loss carryover or capital loss
9 carryover allowable pursuant to section 1341(b)(5) of the internal revenue
10 code exceeds the net operating loss carryover or capital loss carryover
11 allowable pursuant to section 43-1029, subsection F.

12 14. Any amount deducted in computing Arizona gross income as expenses
13 for installing solar stub outs or electric vehicle recharge outlets in this
14 state with respect to which a credit is claimed pursuant to section 43-1090.

15 15. Any wage expenses deducted pursuant to the internal revenue code
16 for which a credit is claimed under section 43-1087 and representing net
17 increases in qualified employment positions for employment of temporary
18 assistance for needy families recipients.

19 16. The amount of any depreciation allowance allowed pursuant to
20 section 167(a) of the internal revenue code to the extent not previously
21 added.

22 17. With respect to property for which an expense deduction was taken
23 pursuant to section 179 of the internal revenue code in a taxable year
24 beginning before January 1, 2013, the amount in excess of twenty-five
25 thousand dollars.

26 18. The amount of a nonqualified withdrawal, as defined in section
27 15-1871, from a college savings plan established pursuant to section 529 of
28 the internal revenue code that is made to a distributee to the extent the
29 amount is not included in computing federal adjusted gross income, except
30 that the amount added under this paragraph shall not exceed the difference
31 between the amount subtracted under section 43-1022 in prior taxable years
32 and the amount added under this section in any prior taxable years.

1 19. The amount of discharge of indebtedness income that is deferred and
2 excluded from the computation of federal adjusted gross income in the current
3 taxable year pursuant to section 108(i) of the internal revenue code as added
4 by section 1231 of the American recovery and reinvestment act of 2009
5 (P.L. 111-5).

6 20. The amount of any previously deferred original issue discount that
7 was deducted in computing federal adjusted gross income in the current year
8 pursuant to section 108(i) of the internal revenue code as added by section
9 1231 of the American recovery and reinvestment act of 2009 (P.L. 111-5), to
10 the extent that the amount was previously subtracted from Arizona gross
11 income pursuant to section 43-1022, paragraph 24.

12 ~~21. For taxable years beginning from and after December 31, 2011~~
13 ~~through December 31, 2014, the amount of any deduction that is claimed in~~
14 ~~computing federal adjusted gross income for health insurance premiums or~~
15 ~~contributions to a health savings account for which a credit is claimed under~~
16 ~~section 43-1087.01.~~

17 ~~22.~~21. Amounts that are considered to be income under section
18 43-1032, subsection D because the amount is withdrawn from a long-term health
19 care savings account and not used to pay the taxpayer's long-term health care
20 expenses.

21 22. ANY EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS DEDUCTED
22 PURSUANT TO SECTION 62(a)(2)(D) OF THE INTERNAL REVENUE CODE TO THE EXTENT
23 THAT A CREDIT IS CLAIMED FOR THE SAME EXPENSES UNDER SECTION 43-1089.05."

24 Renumber to conform

25 Amend title to conform

and, as so amended, it do pass

DARIN MITCHELL

Chairman

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