

## HOUSE FLOOR AMENDMENT EXPLANATION



Bill Number: **SB 1091**

Weninger Floor Amendment

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- Authorizes DOR to develop, adopt and use a payment system that enables the remittance and collection of TPT in real time at the point of sale, including payments of additional amounts arising from audits.
  - Requires DOR to study, rather than adopt, a policy of accepting cryptocurrency as a form of payment for income tax.
  - Allows DOR to design, develop and provide for trial demonstrations of the adaptation, application and use of technology to enable immediate remittance and collection of income tax payments and TPT payments at the point of sale and for payments of additional amounts arising from audits.
    - Outlines DOR procedures and requirements associated with the trial program.
  - Requires DOR to prepare and submit a report of its finding before January 1, 2021.

Amendment explanation prepared by Michael Madden

Phone Number 6-5989

4/24/2018

WENINGER SUBSTITUTE FLOOR AMENDMENT  
HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1091

I move the following SUBSTITUTE amendment to the WAYS AND MEANS Committee  
Amendment to  
SENATE BILL 1091 (Reference to Senate engrossed bill)

1 Page 1, between lines 1 and 2, insert:

2 "Section 1. Section 42-5018, Arizona Revised Statutes, is amended to  
3 read:

4 42-5018. Method of payment

5 A. All remittances of taxes imposed by this article shall be made by  
6 bank draft, check, cashier's check, money order, cash or electronic funds  
7 transfer to the department, which shall issue receipts therefor to the  
8 taxpayers, but no remittance other than cash shall be final discharge of  
9 liability for the tax levied by this article until it has been paid in cash  
10 to the department.

11 B. IN ADDITION TO THE METHODS DESCRIBED IN SUBSECTION A OF THIS  
12 SECTION, THE DEPARTMENT MAY DEVELOP, ADOPT AND USE A PAYMENT SYSTEM THAT  
13 ENABLES THE IMMEDIATE REMITTANCE AND COLLECTION OF TAX IN REAL TIME AT THE  
14 POINT OF SALE, INCLUDING PAYMENTS OF ADDITIONAL AMOUNTS AFTER AUDIT."

15 Renumber to conform

16 Line 12, after "B." insert "THE DEPARTMENT SHALL STUDY WHETHER"; strike  
17 "THEIR" insert "THE TAXPAYER'S"; after "LIABILITY" insert "BY"

18 Line 13, strike "RECOGNIZED"

19 Line 14, strike "BY THE DEPARTMENT, USING" insert "THAT USES"

20 Line 15, strike "CONVERT" insert "STUDY THE CONVERSION OF"

21 Line 16, strike "CREDIT" insert "STUDY THE PROCESS OF CREDITING"

22 Strike lines 22 through 24, insert:

1           "Sec. 3. Income and transaction privilege taxes;  
2                     technology-based payment system; demonstration  
3                     project; report; delayed repeal

4           A. The department of revenue may design, develop and provide for  
5           trial demonstrations of the adaptation, application and use of technology  
6           to enable immediate remittance and collection of income tax payments and  
7           transaction privilege tax payments at the point of sale and for payments of  
8           additional amounts after audit.

9           B. For the purposes of this section, the department may:

10           1. Contract with one or more private vendors and consultants.

11           2. Identify practical issues, limitations and adaptations in the  
12           systems and procedures of the department.

13           3. Identify legal issues and recommend legislation that may be  
14           necessary to enable the full application of new technology.

15           C. If the department engages in a demonstration project under this  
16           section:

17           1. The department shall prepare a report of its findings and  
18           experiences on or before January 1, 2021.

19           2. Submit copies of the report to the governor, the president of the  
20           senate, the speaker of the house of representatives, the chairpersons of  
21           the senate finance and the house of representatives ways and means  
22           committees and the secretary of state and post the report on the  
23           department's website.

24           D. This section is repealed from and after June 30, 2021."

25 Amend title to conform

JEFF WENINGER

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04/24/2018  
02:01 PM  
C: dmt