

State of Arizona
Senate
Fiftieth Legislature
Second Regular Session
2012

CHAPTER 324
SENATE BILL 1279

AN ACT

AMENDING TITLE 42, CHAPTER 19, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 42-19003.01; RELATING TO PERSONAL PROPERTY TAX.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 42, chapter 19, article 1, Arizona Revised Statutes,
3 is amended by adding section 42-19003.01, to read:

4 42-19003.01. Business computers and equipment; hardware;
5 software; definition

6 A. EXCEPT AS PROVIDED BY SUBSECTION C OF THIS SECTION, PERSONAL
7 COMPUTERS AND GENERAL PURPOSE COMPUTERS USED IN A TRADE OR BUSINESS SHALL BE
8 VALUED AS PERSONAL PROPERTY.

9 B. OPERATING SYSTEM SOFTWARE NECESSARY TO ENABLE THE OPERATION OF
10 PERSONAL COMPUTERS, GENERAL PURPOSE COMPUTERS AND PERIPHERAL EQUIPMENT SHALL
11 BE VALUED AS A PART OF THE COMPUTER ON WHICH IT IS INSTALLED.

12 C. ALL OTHER SOFTWARE, OTHER THAN OPERATING SYSTEM SOFTWARE, WHETHER
13 IT IS CANNED OR CUSTOMIZED FOR A SPECIFIC APPLICATION BY A PERSONAL COMPUTER
14 OR A GENERAL PURPOSE COMPUTER, SHALL NOT BE VALUED AS PERSONAL PROPERTY.

15 D. FOR THE PURPOSES OF THIS SECTION, "OPERATING SYSTEM SOFTWARE" MEANS
16 THE COLLECTION OF SOFTWARE THAT DIRECTS THE COMPUTER'S LOW-LEVEL OPERATIONS,
17 CONTROLLING AND SCHEDULING THE EXECUTION OF APPLICATION PROGRAMS AND MANAGING
18 THE LOW-LEVEL OPERATION OF STORAGE, INPUT, OUTPUT AND COMMUNICATION
19 RESOURCES.

20 Sec. 2. Intent

21 The enactment of section 42-19003.01, Arizona Revised Statutes, as
22 added by this act, is not intended to constitute a change in state law with
23 respect to the taxation of personal computers and general purpose computers
24 and shall not be used as a basis for a claim for refund under title 42,
25 chapter 16, article 6, Arizona Revised Statutes.

APPROVED BY THE GOVERNOR MAY 11, 2012.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 14, 2012.