

1 taxable income wherever derived." A.R.S. § 43-102(A)(4). "Resident" is defined, in part, as "[e]very
2 individual who is domiciled in this state and who is outside the state for a temporary or transitory
3 purpose. Any individual who is a resident of this state continues to be a resident even though
4 temporarily absent from the state." A.R.S. § 43-104(19)(b). A new residence can be established only by
5 an intent to establish a new residence and acts evidencing this intention. *Kauzlarich v. Board of*
6 *Trustees*, 78 Ariz. 267, 278 P.2d 888 (1955).

7 The Department argues that, although Appellants moved to Texas in 1993, they failed to
8 establish a Texas domicile because they did not abandon their Arizona domicile. As evidence, the
9 Department points to the facts that, while living in Texas, Appellants held Arizona drivers licenses, had a
10 vehicle registered in Arizona and retained ownership of their Arizona home.

11 Appellants acknowledge that they did not sell their Arizona home but testify that it has been
12 occupied since 1993 by their son or an independent grandchild. Appellants have not lived in the house
13 since they moved to Texas. Further, Appellants maintain that they did not immediately obtain Texas
14 driver's licenses because their Arizona licenses had not expired. In any event, Appellants argue that
15 they did not remain Arizona residents after moving to Texas. The Board agrees.

16 In July 1993, Appellant obtained employment in Texas as a surface excavation superintendent
17 on the federal government's Superconducting Supercollider Project (the "Project"). His employment on
18 the Project was expected to last for five to eight years.

19 Appellant accepted the position and relocated, with his wife and two dependent grandchildren, to
20 Italy, Texas in July 1993. Appellants opened bank accounts, obtained credit cards and a bank loan in
21 Texas and subsequently purchased a mobile home in Italy, Texas. Appellant's employment was
22 terminated in late 1993 when the Project was unexpectedly canceled. Appellants sold their mobile home
23 and moved to California, where Appellant had secured new employment.

24 Having reviewed all the evidence, the Board concludes that Appellants' move to Texas, with
25 their grandchildren, to live and work for at least five years was not for a temporary or transitory purpose.
26 The evidence indicates Appellants intended to establish a new domicile in Texas; therefore, Appellants
27 were not Arizona residents in 1993 and are not liable for the tax assessed.

28 . . .

