

ARIZONA EXEMPTIONS

(Use of federal bankruptcy exemptions in 11 U.S.C. 522(d) not permitted in Arizona. See A.R.S. § 33-1133.) The IRS can lien all the items on this page. In order to qualify for a homestead the residence must be your primary residence. Community property liability: A.R.S. § 25-214 & 215. With the exception of the single homestead exemption for a married couple, each adult has a separate exemption (A.R.S. § 33-1121.01). Therefore, each adult has an exemption for \$6,000 in household furnishings. The dollar amounts listed below are the resale, not retail, value of the items (e.g.: what your couch would sell for at a yard sale). But, if you are filing for bankruptcy and have personal property (not land/house) that has a lien or security interest, then you must use the “replacement value – the price a retail merchant would charge for property of similar kind and condition. §506(a)(2). Items not on this list are not protected from your creditors. Neither are the items protected from the creditors that you granted a lien interest to – deed of trust on the home or security interest in personal property (for instance - charging your refrigerator on Sears card.). Exemption rights cannot be waived (A.R.S. 33-1132).

TYPE OF PROPERTY	AMOUNT OF EXEMPTION	STATUTE
Homestead, consisting of debtor’s equity in real property used as residence. 1 apartment of horizontal property regime, or mobile home and land upon which located. Excluded; A.R.S. § 33-1102 (recording not required). Title in a revocable trust does not normally abandon homestead. ARS. § 33-1104(E)	\$150,000 (as of 8/25/04) – as against nonconsensual liens. Total exemption of \$150,000 for both spouses. Applies to identifiable cash proceeds of homestead sale for 18 months after sale. But, in bankruptcy – see 11 § 522(p)	A.R.S. § 33-1101(A); Except consensual liens.: A.R.S. § 33-1104 –
Prepaid rent and security deposits for Debtor’s residence	\$2,000	A.R.S. § 33-1126(C)
Household furniture, furnishings, household goods, including consumer electronic devices, and household appliances personally used by the debtor or a dependent of the debtor and not otherwise specifically prescribed in this chapter.	\$6,000 aggregate value	A.R.S. § 33-1123
Motor Vehicle - equity in vehicle	\$6,000; \$12,000 if Debtor or Debtor’s dependent is disabled	A.R.S. § 33-1125(8)
Food, fuel and provisions for 6 months used by Debtor & family	100%	A.R.S. § 33-1124
Wearing apparel	\$500	A.R.S. § 33-1125(1)
Library	\$250	A.R.S. § 33-1125(5)
Computer, typewriter, bicycle, sewing machine, family bible, burial lot, rifle or shotgun or pistol.	\$1,000	A.R.S. § 33-1125(7)
Pre-arranged funeral memorial - deposited in a funeral trust account with the funeral home (e.g. coffin open/close fees)	\$5,000	ARS § 32-1391.05(C)(4)
Musical instruments of Debtor and family	\$400	A.R.S. § 33-1125(2)
Domestic pets, horses, milk cows and poultry	\$800	A.R.S. § 33-1125(3)
Engagement and Wedding rings	\$2,000	A.R.S. § 33-1125(4)
Watch	\$150	A.R.S. § 33-1125(6)
Wheel Chair and prescribed health aids	100%	A.R.S. § 33-1125(9)
Necessary tools, equipment, instruments, marketing tools, intangible work product used in profession	\$5,000 (does not include personal motor vehicle)	A.R.S. § 33-1130(1)
Arms, uniforms/accoutrements required by law	100%	A.R.S. § 33-1130(3)
School Equipment used to teach	100%	A.R.S. § 33-1127
Firefighting equipment	100%	A.R.S. § 33-1128
Net disposable earnings (less deductions required by law) includes pension and retirements payment.	75% or 30 X the federal minimum hourly wage, per week, whichever is greater. Does not apply to child support.	A.R.S. § 33-1131
Wages: \$50 per week plus \$15 a week for each dependant	100%	A.R.S. § 23-755(D)
One single bank account	\$300	A.R.S. § 33-1126(A)(9)
Earnings of minor child (but don’t co-mingle with debtor)	100%	A.R.S. § 33-1126(A)(2)
Child support or maintenance	100%	A.R.S. § 33-1126(A)(3)
Welfare assistance	100%	A.R.S. § 46-208
Unemployment compensation benefits	100%	A.R.S. § 23-783
Workmen’s compensation benefits	100%	A.R.S. § 23-1068(B)
Long Term Disability Program Benefits	100%	A.R.S. § 38-797.11
Student Loan Proceeds (limited)	100%	20 USC 1095(a)(d)
*Interest in retirement plan qualified under Internal Revenue Code § § 401(a), 403(a)(b), 408, 408(a), 409, 457 (deferred comp)	100% (except contributions within 120 days before filing petition	A.R.S. § 33-1126(B)
529 account (college savings plans) under Internal Revenue Code	100% (except contributions within 2 years before filing petition.	A.R.S. § 33-1126(A)(10)
Annuity (owned by DEBTOR for at least 2 years, bene. must be minor and dependant family member) Warning: some annuity companies list themselves as owner	100%	A.R.S. § 33-1126(A)(7)
Health, accident or disability insurance	100% (certain debts excepted)	A.R.S. § 33-1126(A)(4)
Life Insurance proceeds paid or payable to surviving Spouse or child.	\$20,000	A.R.S. § 33-1126(A)(1)
Life Insurance – Cash Value	100%	A.R.S. § 20-1131

Group Life Insurance	100% (certain limitations)	A.R.S. § 20-1132
Wrongful Death Benefits	100%	A.R.S. § 12-592
Cash surrender value of life insurance policies must be owned by the debtor (for at least two unexpired continuous years).	100% (beneficiary must be a dependent)	A.R.S. § 33-1126(A)(6)
Insurance proceeds for damage or destruction of exempt property	100% of exemption given for damaged or destroyed property.	A.R.S. § 33-1126(A)(5)
Damages for wrongful levy or execution	100%	A.R.S. § 33-1126(A)(8)
Farm Machinery, utensils, fee, grain, seed and animals of farmer.	\$2,500 (primary income from farming)	A.R.S. § 33-1130(2)
Property that belongs to the public	100%	A.R.S. § 33-1129
Social Security (including retirement, death & disability) (protected in bank account if NOT co-mingled) NOTE: garnishment could be 65% of government benefits once deposited into bank account: (1) enforce child support or alimony - 42 USC 65 (2) court-ordered victim restitution - 18 USC 3613 (3) unpaid federal taxes - 26 USC 6334(c) (4) current year federal income tax - 26 USC 3402 (P) (5) some other debts - see Debt Collection Act of 1996	100%	42 U.S.C. § 407(a), SEC 207 31 C.F.R. Part 212 – protects 2 months of directly deposited benefits
VA Benefits (includes pensions, life insurance & disability)	100%	38 USC §5301(a)(1)
VA group life insurance benefits	100%	10 USC § 1035(a)
VA Medal of Honor benefits	100%	38 USC § 1562(c)
Seaman's Wages (At Sea)	100%	46 USC § 11109(a)
War Compensation – Hazard, Death, Injury	100%	42 USC § 1717
Longshoremen and harbor workers medical, disability & death	100%	33 USC § 916
Firemen's relief and pension benefits	100%	A.R.S. § 9-968
Police pension benefits	100%	A.R.S. § 9-931
Teacher's retirement benefits	100%	A.R.S. § 43-1201
State employees retirement benefits	100%	A.R.S. § 38-792
Correction Officer Retirement Plan	100%	A.R.S. §38-897
Elected Officials Retirement Benefits	100%	A.R.S. § 38-809(A)/811
Elected Officials – Survivor Pension Married for 2 years or more	100%	A.R.S. § 38-807
Public Safety Personnel Retirement	100%	A.R.S. §18-850(c)
Arizona Ranger Benefits	100%	A.R.S. §41-955
Fraternal Benefit Society benefits	100%	A.R.S. § 20-881 or 877
Railroad employees retirement & disability & death benefits	100%	45 USC § 231
Federal civil service disability and death benefits	100%	5 USC § 8130
Federal civil service retirement benefits	100%	5 USC § 8346(a)
Annuities paid to widows & dependent children of Fed. Judges/justices	100%	28 USC § 376(n)
Military Survivor Benefit Plan annuities/military ret. Annuities	100%	10 USC § 145(i)/1440
Servicemen's group life insurance benefits	100%	38 USC § 770(g)
Deposits made by US servicemen into savings institutions while on permanent duty outside US	100%	10 USC § 1035(n)
Foreign Service Employees	100%	22 USC § 4060

NOTE: IF FILING FOR BANKRUPTCY, ALSO EXEMPT:

*Retirement funds exempt under 401, 403, 408, 408A, 414, 457 or 501(a) of the IRS Code (includes direct transfers or rollover to exempt account)	100%, but limited to \$1,000,000 USC §522(n)	USC §532(b)(3)(C), 11 USC 522(n)
Wages due masters, seamen & apprentices.	100%, does not apply to maintenance/child support	46 USC § 601

NOTE: IF FILING FOR BANKRUPTCY – NOT PROPERTY OF THE ESTATE:

Education IRA under 530(b)(1) & 529(B)(1)- held for more than 2 years before filing bankruptcy. Beneficiary must be child, stepchild, grand or step grandchild of debtor for the taxable year.	Limited to \$5000 if contributed between 12 to 24 months before filing bankruptcy.	530 accounts: USC §541(b)(5) 529 accounts: USC §541(b)(6)
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What state law do you use for your exemptions? If you are filing for bankruptcy protection and resided in Arizona for more than 2 years you must use this list of exemptions and cannot use of federal bankruptcy exemptions in [11 U.S.C. 522\(d\)](#). See [A.R.S. § 33-1133](#).) Otherwise, use the state you lived in for the 730 days (2 years) before filing; or If you did not live in one single state in the previous 2 years, then use the state where you lived the majority of the 180 period preceding the last 2 year period; or if the preceding renders you ineligible for any exemptions then the debtor is allowed to choose the federal exemptions. (Confusing?) There is a mother lode of information about this issue. One source is Attorney John Bates [Exemptions Express](#).

There are also additional time periods of 10 years, 1210 days and others that impact the assets you can protect in bankruptcy. Talk to an experienced bankruptcy attorney about these exceptions.