



**ARIZONA DEPARTMENT OF REVENUE
FISCAL YEAR 2016 ANNUAL REPORT**

Directors Message

Upon my arrival, among the first activities we took was to align our core programs with the agency's budget, which immediately helped to stabilize department expenditures and reduced the number of operating divisions from nine to four. We improved key support functions by overhauling our information technology and budget offices and establishing a professional communications presence for enhanced dialogue with our customers and employees.

During FY 2016, we set the foundation for landing the first phase of statutorily required reforms of the state's Transaction Privilege Tax (TPT) system, enabling hundreds of thousands of businesses to register, file returns and make TPT payments via a central online portal with prompt and accurate tax distribution and reporting to appropriate municipalities.

We also instituted a standard, disciplined approach to manage the department's performance using tools such as scorecards and monthly business reviews to align our mission priorities with those the governor has set for the state. These activities are a featured component of the intentional, results-driven management system Arizona is adopting throughout state government. Our efforts are focused on delivering customer value and tangible mission outcomes that taxpayers expect of their state workforce. Today we are professionally managing the department's operations by eliminating waste and inefficiencies through an exhaustive review of our processes, and every DOR employee understands the importance of being responsive to customer needs and expectations.

The need to modernize and develop technical and operational excellence in our workforce is crucial if we are to operate at the speed of business, as the governor intends. In addition to the organizational improvements mentioned earlier, we have begun taking steps to ensure we build capacity to deliver desired performance by making investment in core infrastructure a departmental priority.

FY 2016 was one of the most exciting and productive years in my 30-year career of public service for the citizens of Arizona. I'm proud of the changes we are making to radically transform how DOR thinks and does business for Arizona taxpayers. As you read through our record of fiscal year successes, I hope you will think so, too.

David Briant

Director

Arizona Department of Revenue

Who We Are

Our History

The Department of Revenue's origins predate Arizona statehood. The State Tax Commission, established in 1912, consisted of a three-member, non-partisan board elected for a six-year term. In 1974, the Arizona Legislature repealed the law that had established the commission and transferred its powers and duties to the newly created Arizona Department of Revenue (ADOR) and the State Board of Tax Appeals. That same year, on July 1, ADOR began operations with three divisions overseeing Property and Special Taxes; Income, Luxury, Sales and Estate Taxes; and Administration.

Today, ADOR comprises four divisions aligned with its operating budget and strategic goals: Taxpayer Services, Education and Compliance, Processing, and Support. It operates with offices in Phoenix and Tucson with a presence in the Phoenix Metro East Valley area. ADOR delivers core business processes entailing efficient tax processing and collection, timely enforcement of tax laws, and accurate valuation of property. In addition, it also oversees 15 county assessors in the administration of state property tax laws.

Our Mission & Vision

Pursuant to Arizona Revised Statutes (A.R.S.) Titles 42 and 43

Our Mission:

Serving taxpayers!

Our Vision:

Funding Arizona's future through excellence in innovation, customer service and continuous improvement

Our Goals & Strategies

Goals

Optimize taxpayer services
Accelerate processing
Maximize taxpayer education and compliance
Support and champion the agency mission (internal only)

Strategies

Deploy the Arizona Management System
Develop employee potential
Increase education and outreach
Modernize and strengthen core programs and infrastructure
Deliver technology solutions

Performance Measures

Customer phone call wait time
Number of individual and Transaction Privilege Tax (TPT) paper returns
Average days to process individual income tax refunds from electronic returns
Average days to process TPT electronic returns
Percentage of online transactions
TPT return filing compliance
Individual income tax fraud prevention
Actual vs. estimated state tax collections
Number of administrative rules improved or repealed
Number of agency FTE count
Number of regrettable attrition
Percentage of adoption of Arizona Management System
Number of breakthroughs achieved
Percentage of online services

What We Do

Taxpayer Services

Taxpayer services include the following for customers with inquiries and requests on various tax related matters.

Customer Care & Outreach

Educates taxpayers and staff about the department's laws, rules and programs; responds to inquiries and provides assistance; issues licenses and registrations; updates taxpayer account information.

Economic Research and Analysis

Provides statistical analysis and research services, including fiscal impact of proposed changes to tax laws; assists in developing tax policy.

Hearing Office

Holds hearings and issues written decisions on protests of department assessments and refund denials relating to income tax, withholding tax and estate tax.

Legislative Liaison

The liaison represents the department at the Legislature. The liaison coordinates the analysis, research and testimony of tax legislation, reads, analyzes, and tracks bills through the legislative process; coordinates implementation of legislation after passage. Also acts as the liaison between legislators and the department including handling constituent issues for legislators and the Governor's office, and monitoring federal law changes.

Problem Resolution Office

Responds to taxpayer inquiries and resolves issues and problems that could not be addressed through standard business channels.

Property Tax

Ensures fair and uniform property values for Arizona taxpayers through general oversight of the 15 county assessors administering Arizona's property tax laws.

Tax Appeals

Resolves appeals filed by individuals on proposed income tax assessments and refund denials; monitors status of non-income protested audit assessments, refund denials and penalty review denials; reviews and defends corporate income tax assessments through the department's administrative appeals process.

Tax Policy

Reviews and analyzes legislation, assists the department in setting tax policy, and develops and promulgates administrative rules; provides policy support and interpretative within the department.

Tobacco Tax Program

Administers licensing, processing of returns and distribution of payments; audits returns of Arizona tobacco and liquor distributors; maintains inventory of tobacco tax stamps for sale to Arizona's licensed cigarette stampers; enforces tobacco luxury taxes; investigates criminal activity.

Unclaimed Property

Returns abandoned property to the property's rightful owner(s).

What We Do

Processing

Processing provides timely and accurate processing of all tax returns and payments.

Document Preparation

Opens, batches and processes tax documents; handles the department's mail services; identifies "trouble" documents before data entry occurs.

DOR Treasury

Responsible for depositing all tax revenue and entering taxpayer data using multiple computer systems.

Error Resolution

Ensures accuracy in the processing of returns and payments for the largest four tax types.

Records Management

Responsible for the filing, maintaining, storing and disposal of all tax documents; provides internal access to tax returns and license applications; develops customized records retention and disposition schedules.

What We Do

Education & Compliance

Audit

Educates taxpayers and promotes voluntary compliance with tax laws by auditing corporate and individual income tax returns, transaction privilege tax (TPT) and withholding and special taxes; coordinates with cities and towns to ensure timely, accurate distribution and reporting of TPT collections; investigates and prevents fraudulent tax activity.

Collections

Collects delinquent returns and tax liabilities, educates and assists taxpayers in understanding tax liability, administers a debt setoff program.

What We Do

Support

Budget

Monitors current year expenditures against the approved budget, coordinates preparation of the upcoming executive budget request.

Communications

Creates, manages, facilitates and delivers the department's internal and external multimedia communications.

Continuous Improvement

Provides professional development in continuous improvement, encourages continuous improvement behaviors and promotes measurable results.

Facilities Management

Coordinates building facility maintenance, receives/logs all goods and supplies purchased by the agency, oversees safety and risk management.

Financial Services

Reconciles and reports of tax dollars deposited to the State's financial institution; manages the department's accounting and procurement functions.

Human Resources

Provides a single point of integration for all disciplines of personnel administration; plans, develops, organizes, and implements employee training.

Information Technology

Provides IT security, database and application administration and support, customer service, project management and business analysis support.

Internal Audit

Conducts financial, operational, investigative and consultative reviews of agency practices, policies, and procedures.

Our Successes

Transaction Privilege Tax Reform

Traditionally, the Arizona Department of Revenue (ADOR) has administered transaction privilege tax for the counties and all but a few so-called “non-program” cities, which have administered their own TPT programs. Though few in number, the non-program cities comprise most of Arizona’s population. This has meant that the roughly 200,000 businesses operating in Arizona, as well as those located outside the state and doing business with Arizona customers, often have had to file TPT returns and payments in multiple jurisdictions.

TPT reforms adopted by the Arizona Legislature consolidated reporting requirements in an effort to simplify the tax system for Arizona’s taxpaying businesses. In FY 2016, ADOR landed the first phase of TPT reform to simplify how taxpayers register, file returns and make TPT payments via a central online portal, AZTaxes.gov.

In addition, the department provided prompt and accurate tax distribution and reporting to municipalities for which the department administers the TPT program. Specific FY 2016 accomplishments that enabled this progress to occur included:

- Upgrading AZTaxes to make tax filing faster and more secure, with improved functionality enabling taxpayers to view filing history and liability information, link accounts, and create an electronic signature using a personal identification number, or PIN.
- Stabilizing system infrastructure and gaining alignment with stakeholders on standards for collections and reporting.
- Deploying a geographic information system feature to allow taxpayers to view their TPT rates by address or zip code.

Reduced Customer Call Wait Times

At ADOR, daily customer call volumes at peak times can number in the thousands resulting in extended call wait times, in some cases of **up to 45 minutes**, at which point the phones were programmed to disconnect.

Customer feedback revealed that not answering the phone was the department’s number one customer complaint. For this reason, ADOR set a breakthrough performance measure to reduce average customer call wait times to one minute or less. To close the gap between current and desired performance, ADOR studied national best practices and sought expert

advice for managing a call center. We introduced standard work practices and daily team huddles to solve problems. We improved logistics within the call center and created online, real-time inbound call tracking to better grasp call volumes as they were occurring.

By laying the groundwork for breakthrough results in the last half of FY 2016, the department was able to record a month-to-date call rate in September of **28 seconds**, far exceeding the intended performance objective.

Unclaimed Property

ADOR administers a program to collect, safeguard and distribute unclaimed property to its rightful owners. Over the past several years, ADOR has refined its internal processes and used innovative outreach strategies to improve the program's efficiency and effectiveness. For example, using data from another state agency, the department was able to update contact information for unclaimed property owners and **sent out over 73,000 notifications** to inform them about their assets. Many had no idea the unclaimed property program existed or that they had property to claim.

Through tactics like this, in FY 2016 ADOR had the highest single year's return total of

unclaimed property in its history, with **nearly \$55 million in unclaimed assets** returned to Arizona citizens and businesses.

This was \$12 million more than the FY 2015 total and a 29 percent increase over the previous high. In the past six years, ADOR returned more unclaimed property than the previous four decades combined.

Tax Recovery

As authorized by state law, ADOR administered in FY 2016 a tax recovery program that enabled individual and business taxpayers who fell behind on their tax payments to make good on their obligations while benefiting the state as a whole through investment of additional revenue in critical programs.

Unlike most of the previous tax recovery programs ADOR has offered, the FY 2016 program included both accounts receivable and unfiled/audit periods. The program ran from September 1 through November 2, 2015.

During this limited window, the department approved 2,071 applicants for eligibility in the program and recovered nearly \$55.5 million in revenue owed to the state.

Tax Fraud Prevention

ADOR conducts criminal investigations of tax evasion, improper or fraudulent tax activity, and other related issues.

In FY 2016, for the first time, ADOR used state-of-the-art predictive analysis to identify fraud. Staff analytically scored more than 1.6 million electronic income tax refunds, ranking them from high to low probability of fraud. This approach improved investigator efficiency and accuracy as compared to prior years that relied on manual reviews.

In addition, ADOR implemented a number of process improvements this year by automating processes and removing manual steps for investigations, which reduced both the time required to adjudicate a tax return and process valid refunds owed to taxpayers.

Automation eliminated more than 340,000 manual adjustments that would have been required to authorize a payment and enabled over 94,000 investigations to be automatically updated.

To date for the current tax filing season, ADOR has identified nearly 47,000 fraudulent returns and prevented payment of more than \$76 million in fraudulent refunds.

Debt Set Off

During FY 2016, ADOR released a new, modernized Debt Set Off application to replace a nearly 20-year-old system that required substantial staff time to manually enter the information we received from client agencies.

The former system required four full time staff members to perform input and maintenance. The new system allows client agencies to maintain their own claim inventories via an interactive web application. Additionally, it offers a full suite for reporting information back to the client agencies, which previously had to be compiled by ADOR staff.

Since introduction of the new system in October 2015, ADOR has performed more than \$25 million in offsets to client agencies and nearly \$15 million in additional offsets to the IRS.

Moreover, as a result of efficiency gains, the new system is maintained by one full- and one part-time employees.

Agency Highlights

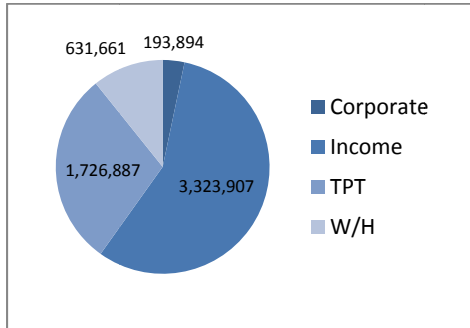
Total Gross Revenue Collected



	FY 2015	FY 2016
Transaction Privilege Tax	\$7,450,577,341	\$7,773,127,691
Income & Withholding	\$4,996,901,125	\$5,262,492,623
Corporate	\$788,991,384	\$700,118,169
Other	\$558,001,963	\$587,468,050
Total	\$13,794,471,813	\$14,323,206,533

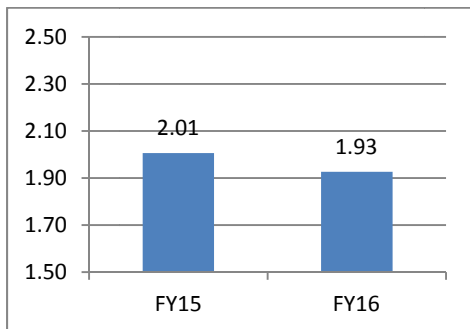
Detailed gross revenues are reported under [TABLE 1](#)

Total Number of Tax Returns Received



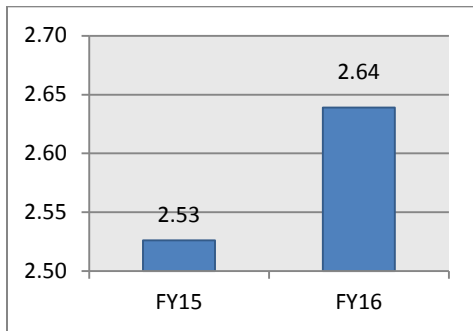
	FY 2016
Transaction Privilege Tax	1,726,887
Individual Income	3,323,907
Corporate	193,894
Withholding	631,661
Total	5,876,349

Total Number of Individual and TPT Paper Returns Received (in Millions)



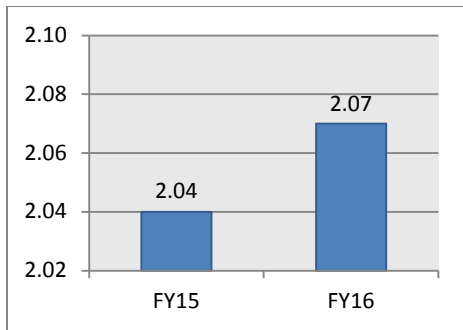
FY 2015	FY 2016
2,006,673	1,926,539

Total Number of E-Filed Income Tax Returns Received (in Millions)



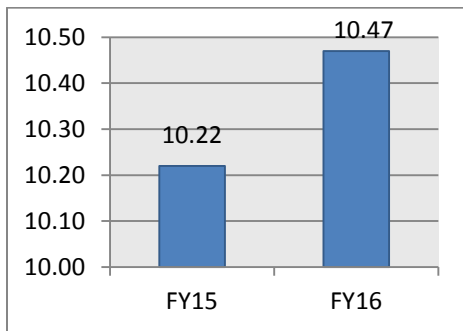
FY 2015	FY 2016
2,526,171	2,639,449

Total Number of Individual Income Tax Refunds (in Millions)



FY 2015	FY 2016
2,036,563	2,065,486

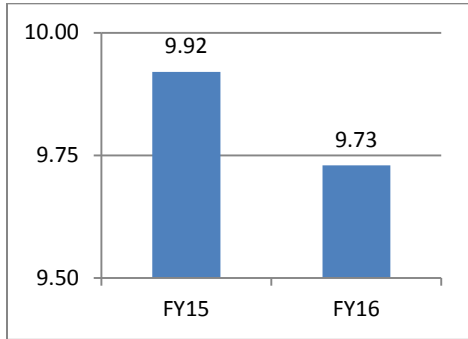
Average Time to Issue Tax Refunds (Calendar Days)



FY 2015	FY 2016
10.22	10.47

Average Days to Process Individual Income Tax Refunds from Electronic Returns

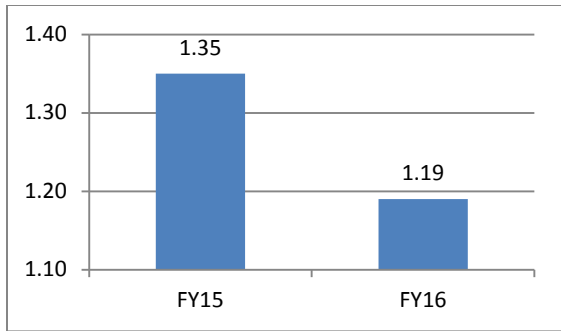
(in Calendar Days)



FY 2015	FY 2016
9.92	9.73

Average Days to Process TPT Electronic Returns

(in Calendar Days)



FY 2015	FY 2016
1.35	1.35

Online Transactions

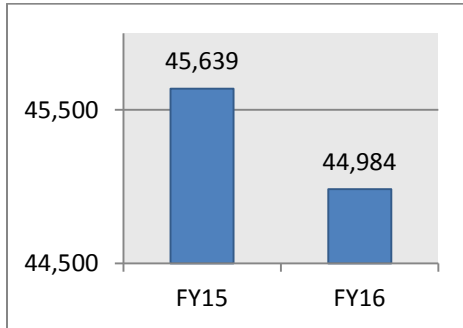
As interest in online solutions continues to increase with our customers, we expanded our services to accommodate transactions that can be done online.



New Users registered in AZTaxes.gov	28,326
Number of logins to AZTaxes.gov	715,970

Number of New Business Licenses Processed

New transaction privilege tax licenses are processed at walk-in counters, through the mail and via online services.



FY 2015	FY 2016
45,639	44,984

Actual vs Estimated State Tax Collections

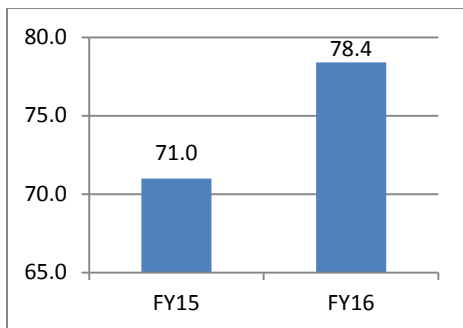
(Estimate provided by OSPB)



FY 2016 ACTUAL	FY 2016 ESTIMATE
\$8.185 BILLION	\$8.208 BILLION

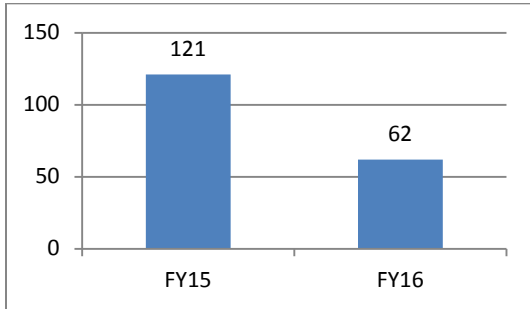
Dollars Recovered from Individual Income Tax Fraud Prevention

(in Millions)



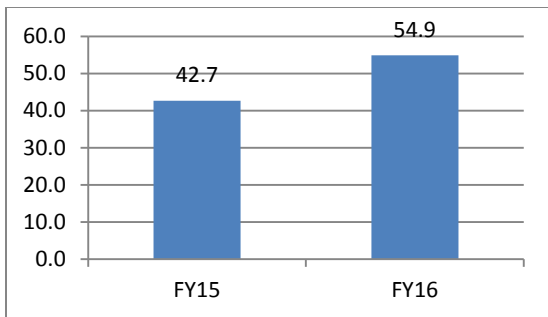
FY 2015	FY 2016
71.0 Million	78.4 Million

Training Events Conducted



FY 2015	FY 2016
121	62

Dollars Returned to Customers from Unclaimed Property (in Millions)

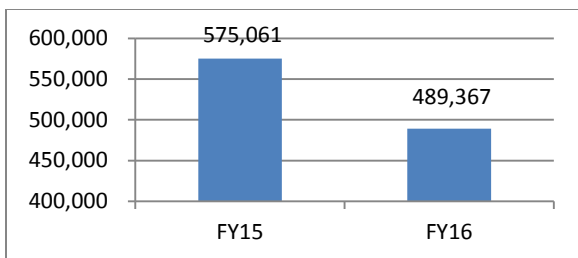


FY 2015	FY 2016
42.7 Million	54.9 Million

Annual Reporting Figures for Customer Care

Total Number of Calls Answered

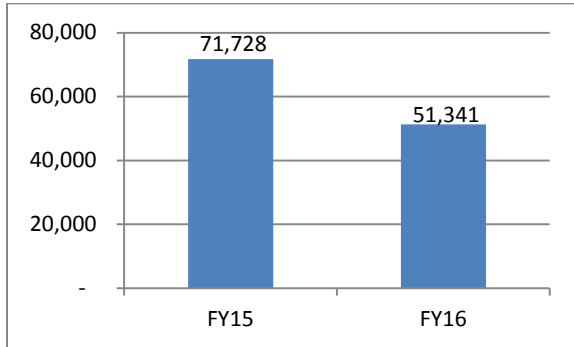
Numbers provided are from the Customer Care unit and the Collections unit



FY 2015	FY 2016
575,061	489,367

Average Number of Phone Calls Received per Month

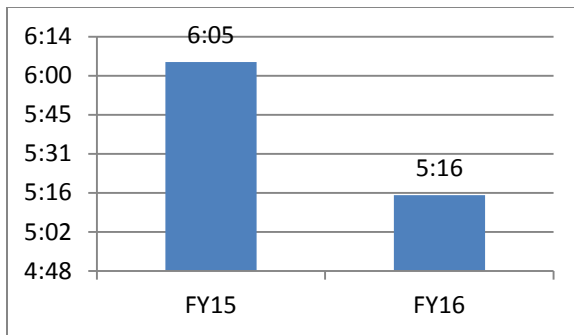
Numbers provided are from the Customer Care unit and the Collections unit



FY 2015	FY 2016
71,728	51,341

Average Customer Phone Call Wait Time

Numbers provided are from the Customer Care unit and the Collections unit



FY 2015	FY 2016
6 min 5 sec	5 min 16 sec

	FY 2015*	FY 2016*
Emails Answered	7,463	7,590
Customers Assisted at the Walk-in Counters	37,139	32,504
Customers Assisted at the Walk-in Offices	10,645	10,056
Tax Practitioner Hotline Inquiries	12,655	9,989
Written Inquiries Answered	16,501	16,754
Power of Attorney (POA) Forms Processed	11,964	16,579
Switchboard Calls Answered	1,758	1,308

* Numbers provided by ADOR Customer Care unit

TABLE 1
REVENUE SUMMARY
GROSS REVENUE COLLECTED
FISCAL YEAR 2011-12 THROUGH FISCAL YEAR 2015-16

SOURCE	FY2011-12	FY2012-13	FY2013-14	FY2014-15	FY2015-16
TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX					
Distribution Base	\$1,569,903,646	\$1,644,471,588	\$1,750,515,866	\$1,836,707,857	\$1,907,097,530
Nonshared Portion	2,852,297,332	2,994,447,622	3,186,969,414	3,285,088,928	3,368,394,664
Use Tax	263,724,399	257,899,313	235,984,933	281,143,731	283,352,073
Education Tax	542,394,529	567,824,410	601,853,602	626,400,822	645,012,218
Temporary Tax (4)	912,966,857	965,620,521	8,422,920	1,760,338	198,681
Undistributed Estimated					
Transaction Privilege Tax	20,235,301	(25,356,945)	(25,642,747)	62,907	13,607,599
Other State Revenue	23,913,439	32,116,438	41,685,649	44,364,312	46,467,006
County and City Collections	1,145,303,425	1,223,217,366	1,303,960,087	1,375,048,446	1,508,997,920
Subtotal	\$7,330,738,929	\$7,660,240,313	\$7,103,749,724	\$7,450,577,341	\$7,773,127,691
INCOME TAX					
Withholding	\$3,343,314,942	\$3,459,818,705	\$3,580,656,587	\$3,699,577,473	\$3,850,489,512
Individual	1,027,389,330	1,170,646,638	1,131,388,277	1,297,323,652	1,412,003,111
Corporate	758,413,453	755,002,081	705,730,762	788,991,384	700,118,169
Subtotal	\$5,129,117,725	\$5,385,467,424	\$5,417,775,626	\$5,785,892,509	\$5,962,610,792
LUXURY TAX					
Spirituos Liquor	\$31,847,105	\$32,184,954	\$33,588,102	\$33,963,657	\$34,551,657
Vinous Liquor	15,430,577	15,155,547	15,583,934	15,624,518	16,160,560
Malt Liquor	21,101,489	21,343,360	21,974,061	21,682,060	21,568,413
Tobacco - All Types (1)	337,777,289	331,347,184	327,788,207	331,926,341	341,591,816
Licensing	7,925	7,825	8,198	6,775	6,625
Subtotal	\$406,164,385	\$400,038,871	\$398,942,502	\$403,203,351	\$413,879,071
ESTATE TAX					
Estate (3)	\$200,825	\$0	\$0	\$0	\$0
Unclaimed Property	115,160,041	131,397,401	113,119,156	126,763,806	149,833,143
Escheated Estates	186,322	327,961	649,079	736,221	273,583
Subtotal	\$115,547,188	\$131,725,361	\$113,768,235	\$127,500,027	\$150,106,726
OTHER REVENUES					
Bingo	\$508,145	\$519,998	\$521,583	\$507,212	\$476,079
Flight Property Tax	10,585,261	7,375,052 (5)	12,974,652 (5)	9,727,092	11,114,322
Private Car Tax	1,065,773	3,698,193 (5)	(1,061,682) (5)	3,484,442	(189,264)
Nuclear Plan Assessment	1,782,028	2,153,517	----- (6)	4,673,096 (6)	2,412,474
Waste Tire	8,518,868	8,732,325	9,009,694	8,906,743	9,668,642
Subtotal	\$22,460,074	\$22,479,086	\$21,444,247	\$27,298,585	\$23,482,253
TOTAL (2)	\$13,004,028,301	\$13,599,951,055	\$13,055,680,334	\$13,794,471,813	\$14,323,206,533

(1) Figures represent gross tobacco revenue less administrative expenses.

(2) All revenues collected by the Department of Revenue, including those which are later refunded or distributed.

(3) Arizona's estate tax was effectively repealed January 1, 2005, following the elimination of the Federal State Death Tax Credit by Congress.

(4) On May 18, 2010, voters approved Proposition 100 which temporarily increased the state transaction privilege and use tax rates on most transactions by one percentage point beginning June 1, 2010, and ending May 31, 2013.

(5) In FY13, \$2,473,651.23 of the money deposited into Private Car Tax should have been deposited into Flight Property Tax. A correcting transfer was made in FY14.

(6) The Nuclear Plan Assessment revenue was received after the final deposit for FY14.

For additional detail on the current year revenue, please refer to the appropriate section within this report.

Figures may not add to total due to rounding.

TABLE 2
NET REVENUE TO STATE GENERAL FUND
FISCAL YEAR 2011-12 THROUGH FISCAL YEAR 2015-16

SOURCE	FY2011-12	FY2012-13	FY2013-14	FY2014-15	FY2015-16
Transaction Privilege, Use, and Severance Tax	\$3,657,481,499	\$3,819,525,185	\$4,026,707,269	\$4,199,713,199	\$4,309,504,675
Undistributed Estimated Transaction Privilege Tax	17,366,617	(21,908,400)	(25,642,747)	62,907	13,607,599
Income Tax	3,284,084,523	3,514,487,484	3,445,061,022	3,783,445,387	3,906,333,351
Luxury Tax	56,357,085	56,184,596	58,711,664	56,746,947	58,168,800
Estate Tax (1)	200,825	0	0	0	0
Unclaimed Property	45,819,445	60,899,609	49,165,753	54,034,910	64,941,156
Bingo	508,145	519,998	521,583	507,212	476,079
Private Car Tax	1,065,773	3,698,193 (2)	(1,061,682) (2)	3,484,442	(189,264)
Nuclear Plan Assessment	1,782,028	2,153,517	----- (3)	4,673,096 (3)	2,412,474
Total	\$7,064,665,940	\$7,435,560,183	\$7,553,462,862	\$8,102,668,100	\$8,355,254,870

(1) Arizona's estate tax was effectively repealed January 1, 2005, following the elimination of the Federal State Death Tax Credit by Congress.

(2) In FY13, \$2,473,651.23 of the money deposited into Private Car Tax should have been deposited into Flight Property Tax.

A correcting transfer was made in FY14.

(3) The Nuclear Plan Assessment revenue was received after the final deposit for FY14.

Figures may not add to total due to rounding.

TABLE 3
GROSS COLLECTIONS OF AUDIT ASSESSMENTS AND DELINQUENT TAX
FISCAL YEAR 2014-15 AND FISCAL YEAR 2015-16

GROSS COLLECTIONS	FY2014-15	FY2015-16	% CHANGE
Collections	\$242,000,155	\$242,548,698	0.2%
Audit	\$173,815,515	\$176,852,963	1.7%
Accounts Receivable	\$150,495,968	\$164,593,032	9.4%
TOTAL GROSS COLLECTIONS	\$566,311,638	\$583,994,693	3.1%
ADJUSTMENTS (1)			
Duplication, Credit Audits and Other Adjustments As Reported	\$25,796,817	\$21,697,622	-15.9%
TOTAL ADJUSTED NET ENFORCEMENT COLLECTIONS (2)	\$540,514,821	\$562,297,071	4.0%

(1) Audits resulting in credit adjustments are subtracted to produce an actual figure representing the net gain to the state from the Audit Division's efforts.

(2) Actual amounts resulting from the department's enforcement effort.

TABLE 4
GROSS TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX COLLECTIONS
FISCAL YEAR 2011-12 THROUGH FISCAL YEAR 2015-16

SOURCE	FY2011-12	FY2012-13	FY2013-14	FY2014-15	FY2015-16
Distribution Base	\$1,569,903,646	\$1,644,471,588	\$1,750,515,866	\$1,836,707,857	\$1,907,097,530
Nonshared	2,852,297,332	2,994,447,622	3,186,969,414	3,285,088,928	3,368,394,664
Use Tax	263,724,399	257,899,313	235,984,933	281,143,731	283,352,073
SUBTOTAL	\$4,685,925,377	\$4,896,818,522	\$5,173,470,213	\$5,402,940,516	\$5,558,844,267
Education Tax	\$542,394,529	\$567,824,400	\$601,853,602	\$626,400,822	\$645,012,218
Temporary Tax (2)	912,966,857	965,620,521	8,422,920	1,760,338	198,681
Temporary Tax Estimated Payment	2,868,684	(3,448,544)	-----	-----	-----
Undistributed Estimated Payment	17,366,617	(21,908,400)	(25,642,747)	62,907	13,607,599
Telecommunications Devices	4,857,379	4,587,729	4,865,666	4,852,778	4,641,805
911 Excise	16,481,762	16,425,768	17,109,403	15,959,537	15,854,142
911 Prepaid Wireless	-----	-----	-----	1,891,140	1,840,984
Municipal Water	2,545,748	2,427,127	2,428,062	2,455,869	2,197,353
Nursing Facility Assessment (4)	-----	8,673,285	17,262,306	19,064,855	21,932,723
Waste Tire Accounts Receivable Collections	28,550	2,529	20,212	140,133	0
GROSS STATE COLLECTIONS	\$6,185,435,504	\$6,437,022,937	\$5,799,789,636	\$6,075,528,895	\$6,264,129,771
Municipal Privilege Tax (5)	\$466,896,627	\$506,978,968	\$546,725,301	\$583,920,974	\$661,959,571
Apache County Excise Tax	1,189,314	1,115,268	1,308,856	1,213,088	1,270,948
Cochise County Excise Tax	6,891,804	6,997,151	6,928,647	7,102,794	6,643,893
Coconino County Excise Tax	11,297,308	11,666,641	12,245,309	13,418,497	14,098,449
Coconino County Jail Tax	11,295,614	11,660,897	12,243,833	13,414,793	14,098,398
Coconino County Capitol Projects Tax (3)	2,814,563	2,913,345	3,058,840	1,301,271	22,333
Coconino County Road Tax (1)	-----	-----	-----	2,973,234	8,383,982
Gila County Excise Tax	2,779,139	2,899,476	3,045,271	2,830,513	2,753,057
Gila County Road Tax (3)	2,879,485	3,005,463	3,131,228	1,809,066	(29,783)
Gila Road Extension Tax (1)	-----	-----	-----	1,131,853	29,110,251
Graham County Excise Tax	1,798,603	1,957,102	2,130,788	1,937,227	1,817,098
Greenlee County Excise Tax	1,495,734	2,088,094	2,345,102	1,491,594	1,082,154
La Paz County Excise Tax	1,120,855	1,131,747	1,165,099	1,150,267	1,214,082
La Paz County Jail Tax	1,120,853	1,131,743	1,165,098	1,150,262	1,214,081
La Paz County Health Services District (3)	21	32	26	6,641	316
La Paz County Judgment Tax	590,955	1,112,052	2,215,639	2,217,941	2,391,850
Maricopa County Road Tax (3)	178,724	(93,903)	(127,766)	(144,505)	56,955
Maricopa County Road Tax Extension	323,991,403	341,670,551	365,688,468	382,335,381	396,752,859
Maricopa County Stadium Tax (3)	174	1	6	41	7
Maricopa County Jail Tax	117,547,456	124,019,899	133,581,417	140,021,448	145,509,977
Maricopa County Rental Car Surcharge	5,191,681	5,254,869	5,387,697	4,906,997	4,798,661
Mohave County Excise Tax	5,396,008	5,747,761	6,263,993	6,337,181	6,351,163
Navajo County Excise Tax	6,246,077	6,239,089	6,667,433	6,674,867	6,365,510
Pima County Hotel Tax	6,311,778	6,030,600	6,290,212	6,160,652	6,668,021
Pima County Rental Car Surcharge	1,463,761	1,398,973	1,389,855	1,384,095	1,467,710
Pima County R.V. Surcharge	145,559	136,195	121,726	137,298	144,535
Pima County Road Tax	67,504,860	70,893,757	72,390,485	74,197,062	75,057,037
Pinal County Excise Tax	12,449,204	12,761,984	13,594,230	13,936,172	14,512,165
Pinal County Health Services District	2,468,346	2,541,837	2,713,674	2,778,759	2,884,216
Pinal County Road Tax	12,952,327	13,300,223	14,110,597	14,450,578	15,394,520
Santa Cruz County Excise Tax	2,646,194	2,595,978	2,685,361	2,504,647	2,654,133
Santa Cruz County Jail Tax	2,641,677	2,594,044	2,684,802	2,503,979	2,653,509
Yavapai County Excise Tax	12,400,793	13,308,847	14,145,870	14,951,596	16,014,676
Yavapai County Jail Tax	6,199,337	6,653,214	7,072,702	7,474,794	7,996,006
Yuma County Excise Tax	11,230,569	11,610,142	11,710,103	11,857,358	12,141,266
Yuma County Jail Tax	11,230,580	11,610,076	11,710,110	11,859,175	12,140,191
Yuma County Capitol Projects Tax (3)	18,947	16,966	3,243	13,600	9,010
Yuma County Health Services District	2,235,486	2,311,386	2,526,105	2,427,008	2,705,311
Sports & Tourism Authority	22,681,609	27,956,898	25,640,725	31,210,248	30,689,801
COUNTY AND CITY COLLECTIONS	\$1,145,303,425	\$1,223,217,366	\$1,303,960,087	\$1,375,048,446	\$1,508,997,920
TOTAL DEPARTMENT OF REVENUE RECEIPT	\$7,330,738,929	\$7,660,240,303	\$7,103,749,723	\$7,450,577,341	\$7,773,127,691

(1) The tax was in place for only a portion of the fiscal year. This figure does not represent a full year's collection.

(2) On May 18, 2010, voters approved Proposition 100 which temporarily increased the state transaction privilege and use tax rates on most transactions by one percentage point beginning June 1, 2010, and ending May 31, 2013.

(3) This county tax has expired. Collections are from periods prior to the expiration.

(4) Laws of 2012, Chapter 213 established a Nursing Facility Assessment to be remitted to the Department of Revenue on a quarterly basis. The FY13 figure represents a partial year's collection.

(5) The Municipal Collection program expanded to more cities in FY15 and FY16.

TABLE 5
STATE TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX RATES
BUSINESS CODES AND TAX RATES
FISCAL YEAR 2015-16

TAXABLE ACTIVITIES	DISTRIBUTION			TOTAL TAX
	BASE	NONSHARED	EDUCATION	
2. Nonmetalliferous Mining, Oil and Gas Production	1.0%	2.125%	0.0%	3.125%
4. Utilities	1.0%	4.0%	0.6%	5.6%
5. Communications	1.0%	4.0%	0.6%	5.6%
6. Transporting	1.0%	4.0%	0.6%	5.6%
7/8. Private Rail Car/Pipelines	1.0%	4.0%	0.6%	5.6%
9. Publishing	1.0%	4.0%	0.6%	5.6%
10. Printing	1.0%	4.0%	0.6%	5.6%
11. Restaurants and Bars	2.0%	3.0%	0.6%	5.6%
12. Amusements	2.0%	3.0%	0.6%	5.6%
14. Personal Property Rentals	2.0%	3.0%	0.6%	5.6%
15. Contracting	1.0%	4.0%	0.6%	5.6%
17. Retail	2.0%	3.0%	0.6%	5.6%
19. Mining Severance	2.0%	0.5%	0.0%	2.5%
25. Hotel/Motel Tax	2.75%	2.75%	0.0%	5.5%
29/30. Use and Use Inventory Tax	0.0%	5.0%	0.6%	5.6%
49. Jet Fuel (per gallon)	\$0.0122	\$0.0183	\$0	\$0.0305
51. Jet Fuel Use (per gallon)	\$0	\$0.0305	\$0	\$0.0305
315. MRRA	2.0%	3.0%	0.6%	5.6%

TABLE 6
NET TAXABLE SALES
BY TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX CLASSIFICATIONS (1)
FISCAL YEAR 2011-12 THROUGH FISCAL YEAR 2015-16

CLASSIFICATION	FY2011-12	% OF TOTAL	FY2012-13	% OF TOTAL	FY2013-14	% OF TOTAL	FY2014-15	% OF TOTAL	FY2015-16	% OF TOTAL
Transporting	\$52,136,905	0.06	\$41,324,471	0.04	\$54,981,256	0.05	\$57,587,947	0.05	56,139,179	0.05
Mining, Oil & Gas	105,614,045	0.11	115,774,867	0.12	116,677,749	0.11	111,808,143	0.10	154,946,680	0.14
Mining Severance	1,623,111,320	1.72	1,193,176,084	1.21	1,047,580,204	1.01	994,478,291	0.92	607,840,223	0.55
Utilities	9,474,520,541	10.05	9,900,237,768	10.07	9,923,489,526	9.57	9,856,234,343	9.11	10,031,988,996	9.02
Communications	3,190,962,329	3.38	3,061,730,365	3.12	2,965,233,344	2.86	2,565,400,083	2.37	2,306,785,802	2.07
Private Car and Pipelines	1,186,118	n/a (2)	6,250,408	0.01	5,615,642	0.01	6,498,110	0.01	2,576,932	0.00
Publishing	92,504,602	0.10	84,672,718	0.09	101,751,218	0.10	106,356,511	0.10	105,269,735	0.09
Job Printing	252,603,147	0.27	235,348,616	0.24	321,225,074	0.31	259,671,784	0.24	236,323,892	0.21
Restaurants and Bars	9,996,824,507	10.60	10,544,419,377	10.73	11,085,651,538	10.69	12,053,485,604	11.14	12,715,254,185	11.44
Amusements	1,037,058,757	1.10	1,051,580,928	1.07	1,096,945,152	1.06	1,252,513,666	1.16	1,342,699,886	1.21
Commercial Lease (3)	1,209	n/a (2)	1,706	n/a (2)	1,553	n/a (2)	5,572	n/a (2)	1,802	n/a (2)
Personal Property Rentals	3,257,587,929	3.46	3,254,821,525	3.31	3,355,048,345	3.23	3,453,882,481	3.19	3,689,976,381	3.32
Contracting	9,543,335,350	10.12	10,092,875,787	10.27	11,269,502,981	10.86	10,653,405,099	9.84	9,601,228,346	8.64
Retail	48,178,713,977	51.10	51,276,107,347	52.18	55,257,510,004	53.26	58,463,542,614	54.01	61,614,309,285	55.42
MRRA Amount	----		----		----		26,816,169	0.02	160,124,937	0.14
Hotel/Motel	2,156,863,685	2.29	2,221,059,419	2.26	2,334,372,656	2.25	2,675,509,733	2.47	2,819,143,473	2.54
Rental Occupancy Tax (4)	(2,602)	n/a (2)	0	n/a (2)	(84)	n/a (2)	0	n/a (2)	(503,163)	n/a (2)
Use Tax	5,302,843,816	5.62	5,186,464,365	5.28	4,749,508,210	4.58	5,659,093,999	5.23	5,703,364,767	5.13
Use Tax-Utilities	10,022,025	0.01	10,283,377	0.01	62,511,267	0.06	48,069,635	0.04	38,944,743	0.04
TOTAL	\$94,275,887,660	100.00	\$98,276,129,127	100.00	\$103,747,605,636	100.00	\$108,244,359,783	100.00	\$111,186,416,081	100.00

(1) Net taxable sales are based upon tax receipts.

(2) Percent of total is less than 0.01%.

(3) Commercial Lease rate dropped to 0% effective July 1, 1997.

(4) Effective November 1, 2006, these rates were repealed.

Figures may not add to total due to rounding.

TABLE 7
TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX COLLECTIONS BY CLASS
FISCAL YEAR 2015-16

CLASSIFICATION	DISTRIBUTION BASE	NONSHARED	TOTAL COLLECTIONS
Transporting	\$561,392	\$2,245,567	\$2,806,959
Nonmetal Mining, Oil and Gas	1,549,467	3,292,617	4,842,084
Mining Severance	12,156,804	3,039,201	15,196,006
Utilities	100,319,890	401,279,560	501,599,450
Communications	23,067,858	92,271,432	115,339,290
Private Car and Pipelines	25,769	103,077	128,847
Publishing	1,052,697	4,210,789	5,263,487
Job Printing	2,363,239	9,452,956	11,816,195
Restaurants and Bars	254,305,084	381,457,626	635,762,709
Amusements	26,853,998	40,280,997	67,134,994
Commercial Lease (1)	32	28	60
Rentals of Personal Property	73,799,528	110,699,291	184,498,819
Contracting	96,012,283	384,049,134	480,061,417
Retail	1,232,199,304	1,848,516,160	3,080,715,464
MARRA Amount	3,202,499	4,803,748	8,006,247
Hotel/Motel	77,526,446	77,526,446	155,052,891
Rental Occupancy	(10,114)	(4,981)	(15,095)
Use Tax Utilities	389,447	1,557,790	1,947,237
Use Tax	0	283,352,073	283,352,073
License Fees	0	(290,640)	(290,640)
Jet Fuel Tax	1,716,597	2,574,895	4,291,492
Jet Fuel Use Tax	0	805,035	805,035
Non Sufficient Funds	0	67,161	67,161
Mandatory EFT Fees	0	456,776	456,776
Other	5,310	0	5,310
TOTAL	\$1,907,097,530	\$3,651,746,737	\$5,558,844,267

(1) Commercial Lease rate dropped to 0% effective July 1, 1997.

Figures may not add to total due to rounding.

TABLE 8
DISTRIBUTION OF TRANSACTION PRIVILEGE, USE
AND SEVERANCE TAX COLLECTIONS
FISCAL YEAR 2015-16

Net Regular to State General Fund	\$4,309,504,675
Net Estimated Payments to General Fund	13,607,599
Net to Cities	476,774,383
Net to Counties	772,565,210
Net to Education Fund	645,012,218
Net to Temporary Tax	198,681
911 Wireline/Excise, 911 Wireless, Telecommunications Devices, Nursing Facility	46,467,006
TOTAL GROSS COLLECTIONS	\$6,264,129,771

ADDITIONAL DISTRIBUTION FROM
TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX COLLECTIONS
FISCAL YEAR 2015-16

Phoenix International Raceway - Highway Improvements	\$416,667
Rio Nuevo	13,008,813
Sports and Tourism Authority	8,764,641
Tribal Community Colleges	2,625,000
Convention Center	20,449,000
Distribution adjustments for city collections	(13,112)

Figures may not add total due to rounding.

TABLE 9
TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX COLLECTIONS (1)
IN APACHE COUNTY FOR THE PERIOD BEGINNING
JULY 1, 2015 AND ENDING JUNE 30, 2016

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	CALCULATED NET TAXABLE INCOME	% CHANGE FROM FY 2014-15	COLLECTIONS
Utilities	\$16,972,319	-2.8%	\$848,616
Communications	17,008,997	-16.4%	850,450
Printing	108,093	NA	5,405
Publishing	96,491	-16.6%	4,825
Restaurants and Bars	21,358,365	41.6%	1,067,918
Amusements	1,933,740	NA	96,687
Rentals of Personal Property	8,757,635	1.3%	437,882
Contracting (All)	23,800,694	-51.7%	1,190,035
Retail	125,072,059	9.6%	6,253,603
MRRA	1,346,804	NA	67,340
Hotel/Motel	17,178,760	74.5%	944,832
Other Taxable Activities (2)	90,237,731	NA	3,977,834
TOTAL	\$323,871,688	1.6%	\$15,745,425

NUMBER OF ACCOUNTS
FISCAL YEAR 2013-14 THROUGH FISCAL YEAR 2015-16

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	FY2013-14	FY2014-15	FY2015-16
Utilities	21	22	15
Communications	113	106	115
Publishing	14	14	10
Job Printing	9	10	9
Restaurants and Bars	67	71	68
Amusements	NA	NA	9
Rentals of Personal Property	162	162	172
Contracting (All)	446	433	296
Retail	1,699	1,848	2,048
Hotel/Motel	46	48	51
Other Taxable Activities (2)	1,011	1,054	1,106
TOTAL	3,588	3,768	3,899

(1) License fees, Jet Fuel, Jet Fuel Use, Timber Severance, NSF, and Telecommunications Service Assistance are not included.

(2) For FY16, different categories have been classified under the Other Taxable Activities compared to FY15.

Figures may not add to total due to rounding.

TABLE 10
TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX COLLECTIONS (1)
IN COCHISE COUNTY FOR THE PERIOD BEGINNING
JULY 1, 2015 AND ENDING JUNE 30, 2016

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	CALCULATED NET TAXABLE INCOME	% CHANGE FROM FY 2014-15	COLLECTIONS
Utilities	\$165,533,844	4.1%	\$8,276,692
Communications	43,100,814	-4.2%	2,155,041
Publishing	1,150,201	17.7%	57,510
Job Printing	854,753	-5.7%	42,738
Restaurants and Bars	143,719,235	3.0%	7,185,962
Amusements	5,765,178	6.5%	288,259
Rentals of Personal Property	23,621,583	8.0%	1,181,079
Contracting (All)	91,046,906	-41.4%	4,552,345
Retail	811,969,290	-4.1%	40,598,465
MRRA	3,081,840	NA	154,092
Hotel/Motel	33,240,387	1.0%	1,828,221
Other Taxable Activities	61,870,000	-11.4%	3,076,806
TOTAL	\$1,384,954,031	-6.2%	\$69,397,210

NUMBER OF ACCOUNTS
FISCAL YEAR 2013-14 THROUGH FISCAL YEAR 2015-16

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	FY2013-14	FY2014-15	FY2015-16
Utilities	54	51	49
Communications	198	190	188
Publishing	26	20	21
Job Printing	17	16	22
Restaurants and Bars	338	341	322
Amusements	54	55	50
Rentals of Personal Property	355	350	375
Contracting (All)	1,064	984	618
Retail	3,872	4,086	4,378
Hotel/Motel	155	164	174
Other Taxable Activities	1,693	1,763	1,866
TOTAL	7,826	8,020	8,063

(1) License fees, Jet Fuel, Jet Fuel Use, Timber Severance, NSF, and Telecommunications Service Assistance are not included.

Figures may not add to total due to rounding.

TABLE 11
TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX COLLECTIONS (1)
IN COCONINO COUNTY FOR THE PERIOD BEGINNING
JULY 1, 2015 AND ENDING JUNE 30, 2016

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	CALCULATED NET TAXABLE INCOME	% CHANGE FROM FY 2014-15	COLLECTIONS
Utilities	\$179,877,645	1.9%	\$8,993,882
Communications	49,050,516	-10.8%	2,452,526
Publishing	2,532,401	58.2%	126,620
Job Printing	2,563,361	-12.8%	128,168
Restaurants and Bars	467,310,886	10.0%	23,365,544
Amusements	94,459,851	6.6%	4,722,993
Rentals of Personal Property	75,241,865	1.0%	3,762,093
Contracting (All)	262,603,533	-16.8%	13,130,177
Retail	1,242,425,250	8.2%	62,121,262
MRRA	6,720,463	NA	336,023
Hotel/Motel	380,788,686	12.1%	20,943,378
Other Taxable Activities	141,936,700	19.6%	6,962,627
TOTAL	\$2,905,511,157	5.8%	\$147,045,294

NUMBER OF ACCOUNTS
FISCAL YEAR 2013-14 THROUGH FISCAL YEAR 2015-16

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	FY2013-14	FY2014-15	FY2015-16
Utilities	44	44	41
Communications	234	236	233
Publishing	35	39	30
Job Printing	44	41	45
Restaurants and Bars	507	535	535
Amusements	87	100	97
Rentals of Personal Property	448	505	535
Contracting (All)	1,673	1,595	1,029
Retail	4,980	5,271	5,686
Hotel/Motel	328	342	409
Other Taxable Activities	2,032	2,219	2,388
TOTAL	10,412	10,927	11,028

(1) License fees, Jet Fuel, Jet Fuel Use, Timber Severance, NSF, and Telecommunications Service Assistance are not included.

Figures may not add to total due to rounding.

TABLE 12
TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX COLLECTIONS (1)
IN GILA COUNTY FOR THE PERIOD BEGINNING
JULY 1, 2015 AND ENDING JUNE 30, 2016

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	CALCULATED NET TAXABLE INCOME	% CHANGE FROM FY 2014-15	COLLECTIONS
Utilities	\$95,708,868	-9.2%	\$4,785,443
Communications	16,848,699	-5.0%	842,435
Publishing	581,718	-2.1%	29,086
Restaurants and Bars	71,306,882	6.0%	3,565,344
Amusements	2,617,393	-0.5%	130,870
Rentals of Personal Property	11,336,306	-1.5%	566,815
Contracting (All)	31,673,346	-43.8%	1,583,667
Retail	300,627,971	5.8%	15,031,399
MRRA	318,871	NA	15,944
Hotel/Motel	14,443,776	10.0%	794,408
Other Taxable Activities (2)	65,134,558	NA	2,263,885
TOTAL	\$610,598,388	-9.7%	\$29,609,295

NUMBER OF ACCOUNTS
FISCAL YEAR 2013-14 THROUGH FISCAL YEAR 2015-16

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	FY2013-14	FY2014-15	FY2015-16
Utilities	30	28	32
Communications	161	153	152
Publishing	17	19	15
Restaurants and Bars	162	169	172
Amusements	29	29	29
Rentals of Personal Property	234	246	255
Contracting (All)	800	778	463
Retail	2,402	2,612	2,824
Hotel/Motel	69	69	74
Other Taxable Activities (2)	1,182	1,204	1,321
TOTAL	5,086	5,307	5,337

(1) License fees, Jet Fuel, Jet Fuel Use, Timber Severance, NSF, and Telecommunications Service Assistance are not included.

(2) For FY15, different categories have been classified under the Other Taxable Activities compared to FY14.

Figures may not add to total due to rounding.

TABLE 13
TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX COLLECTIONS (1)
IN GRAHAM COUNTY FOR THE PERIOD BEGINNING
JULY 1, 2015 AND ENDING JUNE 30, 2016

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	CALCULATED NET TAXABLE INCOME	% CHANGE FROM FY 2014-15	COLLECTIONS
Communications	\$9,867,396	-7.2%	\$493,370
Restaurants and Bars	34,506,404	-0.3%	1,725,320
Rentals of Personal Property	11,265,828	-36.6%	563,291
Contracting (All)	12,080,747	-48.3%	604,037
Retail	222,690,654	-5.5%	11,134,533
MRRA	535,344	NA	26,767
Hotel/Motel	6,288,563	NA	345,871
Other Taxable Activities (2)	130,501,265	NA	5,150,152
TOTAL	\$427,736,201	-0.4%	\$20,043,341

NUMBER OF ACCOUNTS
FISCAL YEAR 2013-14 THROUGH FISCAL YEAR 2015-16

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	FY2013-14	FY2014-15	FY2015-16
Communications	118	119	117
Restaurants and Bars	64	68	66
Rentals of Personal Property	164	178	183
Contracting (All)	356	316	195
Retail	1,596	1,697	1,949
Other Taxable Activities (2)	979	1,004	1,112
TOTAL	3,277	3,382	3,622

(1) License fees, Jet Fuel, Jet Fuel Use, Timber Severance, NSF, and Telecommunications Service Assistance are not included.

(2) For FY16, different categories have been classified under the Other Taxable Activities compared to FY15.

Figures may not add to total due to rounding.

TABLE 14
TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX COLLECTIONS (1)
IN GREENLEE COUNTY FOR THE PERIOD BEGINNING
JULY 1, 2015 AND ENDING JUNE 30, 2016

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	CALCULATED NET TAXABLE INCOME	% CHANGE FROM FY 2014-15	COLLECTIONS
Communications	\$3,281,687	-8.7%	\$164,084
Restaurants and Bars	5,462,103	-1.6%	273,105
Rentals of Personal Property	1,314,839	-85.8%	65,742
Contracting (All)	5,143,479	-87.0%	257,174
Retail	103,712,212	-28.3%	5,185,611
MRRA	94,676	NA	4,734
Hotel/Motel	1,400,052	NA	77,003
Other Taxable Activities (2)	497,004,205	NA	15,208,091
TOTAL	\$617,413,252	-21.2%	\$21,235,544

NUMBER OF ACCOUNTS
FISCAL YEAR 2013-14 THROUGH FISCAL YEAR 2015-16

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	FY2013-14	FY2014-15	FY2015-16
Communications	62	68	71
Restaurants and Bars	33	26	22
Rentals of Personal Property	86	90	96
Contracting (All)	146	137	79
Retail	754	854	971
Other Taxable Activities (2)	527	545	565
TOTAL	1,608	1,720	1,804

(1) License fees, Jet Fuel, Jet Fuel Use, Timber Severance, NSF, and Telecommunications Service Assistance are not included.

(2) For FY16, different categories have been classified under the Other Taxable Activities compared to FY15.

Figures may not add to total due to rounding.

TABLE 15
TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX COLLECTIONS (1)
IN LA PAZ COUNTY FOR THE PERIOD BEGINNING
JULY 1, 2015 AND ENDING JUNE 30, 2016

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	CALCULATED NET TAXABLE INCOME	% CHANGE FROM FY 2014-15	COLLECTIONS
Utilities	\$33,645,896	19.9%	\$1,682,295
Communications	6,203,952	-9.5%	310,198
Job Printing	28,739	NA	1,437
Publication	38,915	-20.0%	1,946
Restaurants and Bars	25,779,160	-1.7%	1,288,958
Amusements	425,700	-4.3%	21,285
Rentals of Personal Property	3,656,382	22.6%	182,819
Contracting (All)	27,871,738	34.8%	1,393,587
Retail	141,338,745	5.1%	7,066,937
MRRA	238,442	NA	11,922
Hotel/Motel	6,950,752	7.9%	382,291
Other Taxable Activities (2)	20,746,521	NA	1,035,988
TOTAL	\$266,924,943	3.2%	\$13,379,662

NUMBER OF ACCOUNTS
FISCAL YEAR 2013-14 THROUGH FISCAL YEAR 2015-16

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	FY2013-14	FY2014-15	FY2015-16
Utilities	22	22	21
Communications	105	106	107
Publication	13	11	11
Restaurants and Bars	95	108	113
Amusements	10	11	9
Rentals of Personal Property	148	148	171
Contracting (All)	357	327	216
Retail	1,859	1,932	2,149
Hotel/Motel	55	56	59
Other Taxable Activities (2)	771	836	844
TOTAL	3,435	3,557	3,700

(1) License fees, Jet Fuel, Jet Fuel Use, Timber Severance, NSF, and Telecommunications Service Assistance are not included.

(2) For FY16, different categories have been classified under the Other Taxable Activities compared to FY15.

Figures may not add to total due to rounding.

TABLE 16
TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX COLLECTIONS (1)
IN MARICOPA COUNTY FOR THE PERIOD BEGINNING
JULY 1, 2015 AND ENDING JUNE 30, 2016

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	CALCULATED NET TAXABLE INCOME	% CHANGE FROM FY 2014-15	COLLECTIONS
Utilities	\$6,388,205,154	2.8%	\$319,260,258
Communications	1,469,627,488	-10.9%	73,481,374
Publishing	70,109,543	-4.1%	3,505,477
Job Printing	190,986,885	-11.0%	9,549,344
Restaurants and Bars	8,806,719,850	5.1%	440,335,992
Amusements	1,015,787,457	7.5%	50,789,373
Rentals of Personal Property	2,826,831,406	6.8%	141,341,570
Contracting (All)	6,907,104,960	-5.5%	345,355,248
Retail	42,848,316,823	6.2%	2,142,415,841
MARRA	109,278,728	NA	5,463,936
Hotel/Motel	1,702,121,118	3.7%	93,616,661
Other Taxable Activities	4,453,988,304	-0.2%	221,720,632
TOTAL	\$76,789,077,716	3.9%	\$3,846,835,709

NUMBER OF ACCOUNTS
FISCAL YEAR 2013-14 THROUGH FISCAL YEAR 2015-16

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	FY2013-14	FY2014-15	FY2015-16
Utilities	147	155	134
Communications	697	722	652
Publishing	241	249	208
Job Printing	762	766	741
Restaurants and Bars	6,995	6,975	6,972
Amusements	754	755	732
Rentals of Personal Property	2,536	2,530	2,511
Contracting (All)	13,700	13,155	8,482
Retail	45,491	46,737	46,370
Hotel/Motel	768	872	987
Other Taxable Activities	10,747	11,330	11,296
TOTAL	82,838	84,246	79,085

(1) License fees, Jet Fuel, Jet Fuel Use, Timber Severance, NSF, and Telecommunications Service Assistance are not included.

Figures may not add to total due to rounding.

TABLE 17
TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX COLLECTIONS (1)
IN MOHAVE COUNTY FOR THE PERIOD BEGINNING
JULY 1, 2015 AND ENDING JUNE 30, 2016

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	CALCULATED NET TAXABLE INCOME	% CHANGE FROM FY 2014-15	COLLECTIONS
Utilities	\$291,261,451	-18.6%	\$14,563,073
Communications	63,495,975	-10.0%	3,174,799
Publishing	1,214,146	7.7%	60,707
Job Printing	1,903,828	-16.3%	95,191
Restaurants and Bars	274,977,641	7.6%	13,748,882
Amusements	15,950,387	10.3%	797,519
Rentals of Personal Property	58,301,634	10.3%	2,915,082
Contracting (All)	187,954,507	-10.9%	9,397,725
Retail	1,566,606,368	5.3%	78,330,318
MRRA	6,418,283	NA	320,914
Hotel/Motel	53,952,045	8.0%	2,967,362
Other Taxable Activities	109,577,318	13.4%	5,253,259
TOTAL	\$2,631,613,582	1.2%	\$131,624,832

NUMBER OF ACCOUNTS
FISCAL YEAR 2013-14 THROUGH FISCAL YEAR 2015-16

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	FY2013-14	FY2014-15	FY2015-16
Utilities	59	56	50
Communications	186	197	191
Publishing	28	25	24
Job Printing	36	33	32
Restaurants and Bars	442	433	440
Amusements	65	69	73
Rentals of Personal Property	441	446	490
Contracting (All)	1,350	1,281	927
Retail	5,163	5,366	5,729
Hotel/Motel	154	158	175
Other Taxable Activities	2,103	2,199	2,377
TOTAL	10,027	10,263	10,508

(1) License fees, Jet Fuel, Jet Fuel Use, Timber Severance, NSF, and Telecommunications Service Assistance are not included.

Figures may not add to total due to rounding.

TABLE 18
TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX COLLECTIONS (1)
IN NAVAJO COUNTY FOR THE PERIOD BEGINNING
JULY 1, 2015 AND ENDING JUNE 30, 2016

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	CALCULATED NET TAXABLE INCOME	% CHANGE FROM FY 2014-15	COLLECTIONS
Utilities	\$99,130,321	0.5%	\$4,956,516
Communications	37,736,930	-5.1%	1,886,847
Publishing	882,077	14.8%	44,104
Job Printing	795,432	NA	39,772
Restaurants and Bars	119,132,543	12.9%	5,956,627
Amusements	6,230,546	NA	311,527
Rentals of Personal Property	25,024,698	0.9%	1,251,235
Contracting (All)	89,729,066	-30.0%	4,486,453
Retail	840,855,279	-5.2%	42,042,764
MRRA	3,772,349	NA	188,617
Hotel/Motel	38,952,544	7.6%	2,142,390
Other Taxable Activities (2)	44,337,192	NA	2,185,810
TOTAL	\$1,306,578,978	-5.0%	\$65,492,662

NUMBER OF ACCOUNTS
FISCAL YEAR 2013-14 THROUGH FISCAL YEAR 2015-16

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	FY2013-14	FY2014-15	FY2015-16
Utilities	35	36	38
Communications	158	160	162
Publishing	23	22	22
Job Printing	NA	NA	25
Restaurants and Bars	227	211	209
Amusements	NA	NA	38
Rentals of Personal Property	284	293	316
Contracting (All)	877	859	563
Retail	3,018	3,115	3,488
Hotel/Motel	141	143	164
Other Taxable Activities (2)	1,417	1,448	1,504
TOTAL	6,180	6,287	6,529

(1) License fees, Jet Fuel, Jet Fuel Use, Timber Severance, NSF, and Telecommunications Service Assistance are not included.

(2) For FY16 more categories have been classified under the Other Taxable Activities compared to FY15

Figures may not add to total due to rounding.

TABLE 19
TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX COLLECTIONS (1)
IN PIMA COUNTY FOR THE PERIOD BEGINNING
JULY 1, 2015 AND ENDING JUNE 30, 2016

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	CALCULATED NET TAXABLE INCOME	% CHANGE FROM FY 2014-15	COLLECTIONS
Utilities	\$1,468,756,922	3.1%	\$73,437,846
Communications	329,014,827	-10.8%	16,450,741
Publishing	19,109,387	4.4%	955,469
Job Printing	30,329,356	2.8%	1,516,468
Restaurants and Bars	1,761,915,076	4.2%	88,095,754
Amusements	106,024,578	6.7%	5,301,229
Rentals of Personal Property	423,569,687	0.6%	21,178,484
Contracting (All)	927,319,392	-27.8%	46,365,970
Retail	8,435,333,419	3.5%	421,766,671
MRRA	17,025,785	NA	851,289
Hotel/Motel	326,681,764	2.0%	17,967,497
Other Taxable Activities	608,334,792	-19.7%	28,726,913
TOTAL	\$14,453,414,983	-0.8%	\$722,614,331

NUMBER OF ACCOUNTS
FISCAL YEAR 2013-14 THROUGH FISCAL YEAR 2015-16

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	FY2013-14	FY2014-15	FY2015-16
Utilities	83	75	80
Communications	333	342	330
Publishing	78	77	69
Job Printing	133	138	131
Restaurants and Bars	1,700	1,767	1,761
Amusements	206	224	222
Rentals of Personal Property	945	969	1,020
Contracting (All)	4,440	4,269	2,787
Retail	14,642	15,016	15,483
Hotel/Motel	292	294	315
Other Taxable Activities	4,224	4,473	4,782
TOTAL	27,076	27,644	26,980

(1) License fees, Jet Fuel, Jet Fuel Use, Timber Severance, NSF, and Telecommunications Service Assistance are not included.

Figures may not add to total due to rounding.

TABLE 20
TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX COLLECTIONS (1)
IN PINAL COUNTY FOR THE PERIOD BEGINNING
JULY 1, 2015 AND ENDING JUNE 30, 2016

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	CALCULATED NET TAXABLE INCOME	% CHANGE FROM FY 2014-15	COLLECTIONS
Utilities	\$494,841,937	-0.4%	\$24,742,097
Communications	102,215,548	-9.9%	5,110,777
Publishing	4,546,712	1.2%	227,336
Job Printing	1,702,221	NA	85,111
Restaurants and Bars	302,214,599	8.8%	15,110,730
Amusements	41,117,747	-2.4%	2,055,887
Rentals of Personal Property	75,166,002	10.6%	3,758,300
Contracting (All)	433,207,267	9.2%	21,660,363
Retail	1,395,624,607	5.6%	69,781,230
MRRA	3,441,904	NA	172,095
Hotel/Motel	22,318,247	2.9%	1,227,504
Other Taxable Activities (2)	197,336,159	NA	9,185,097
TOTAL	\$3,073,732,948	3.4%	\$153,116,528

NUMBER OF ACCOUNTS
FISCAL YEAR 2013-14 THROUGH FISCAL YEAR 2015-16

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	FY2013-14	FY2014-15	FY2015-16
Utilities	82	77	78
Communications	218	216	219
Publishing	31	25	27
Job Printing	----	30	37
Restaurants and Bars	430	420	435
Amusements	94	98	97
Rentals of Personal Property	450	461	488
Contracting (All)	2,833	2,736	1,672
Retail	5,116	5,535	6,045
Hotel/Motel	108	98	111
Other Taxable Activities	2,031	2,121	2,355
TOTAL	11,393	11,817	11,564

(1) License fees, Jet Fuel, Jet Fuel Use, Timber Severance, NSF, and Telecommunications Service Assistance are not included.

(2) For FY16 more categories have been classified under the Other Taxable Activities compared to FY15.

Figures may not add to total due to rounding.

TABLE 21
TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX COLLECTIONS (1)
IN SANTA CRUZ COUNTY FOR THE PERIOD BEGINNING
JULY 1, 2015 AND ENDING JUNE 30, 2016

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	CALCULATED NET TAXABLE INCOME	% CHANGE FROM FY 2014-15	COLLECTIONS
Utilities	\$50,441,087	3.1%	\$2,522,054
Communications	17,666,390	2.8%	883,320
Publications	93,057	17.1%	4,653
Job Printing	259,199	11.0%	12,960
Restaurants and Bars	54,245,246	4.1%	2,712,262
Amusements	4,277,411	-0.7%	213,871
Rentals of Personal Property	11,637,135	-349.5%	581,857
Contracting (All)	33,806,570	-19.4%	1,690,328
Retail	340,372,017	5.3%	17,018,601
MRRA	344,163	NA	17,208
Hotel/Motel	13,785,823	3.7%	758,220
Other Taxable Activities	20,945,249	-17.2%	1,046,451
TOTAL	\$547,873,346	5.0%	\$27,461,785

NUMBER OF ACCOUNTS
FISCAL YEAR 2013-14 THROUGH FISCAL YEAR 2015-16

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	FY2013-14	FY2014-15	FY2015-16
Utilities	18	16	16
Communications	139	138	137
Publications	14	13	11
Job Printing	17	16	17
Restaurants and Bars	139	128	127
Amusements	20	23	21
Rentals of Personal Property	239	225	255
Contracting (All)	579	534	336
Retail	2,374	2,550	2,868
Hotel/Motel	46	50	56
Other Taxable Activities	1,052	1,130	1,243
TOTAL	4,637	4,823	5,087

(1) License fees, Jet Fuel, Jet Fuel Use, Timber Severance, NSF, and Telecommunications Service Assistance are not included.

Figures may not add to total due to rounding.

TABLE 22
TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX COLLECTIONS (1)
IN YAVAPAI COUNTY FOR THE PERIOD BEGINNING
JULY 1, 2015 AND ENDING JUNE 30, 2016

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	CALCULATED NET TAXABLE INCOME	% CHANGE FROM FY 2014-15	COLLECTIONS
Utilities	\$342,954,062	4.9%	\$17,147,703
Communications	86,716,929	-3.9%	4,335,846
Publishing	2,908,479	-2.0%	145,424
Job Printing	4,609,217	7.7%	230,461
Restaurants and Bars	365,750,931	9.8%	18,287,547
Amusements	33,911,697	22.5%	1,695,585
Rentals of Personal Property	59,921,830	6.4%	2,996,091
Contracting (All)	380,468,915	-0.7%	19,023,446
Retail	1,727,452,948	8.5%	86,372,647
MRRA	5,344,919	NA	267,246
Hotel/Motel	151,350,305	14.1%	8,324,267
Other Taxable Activities	198,534,573	-24.4%	8,172,886
TOTAL	\$3,359,924,805	4.6%	\$166,999,149

NUMBER OF ACCOUNTS
FISCAL YEAR 2013-14 THROUGH FISCAL YEAR 2015-16

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	FY2013-14	FY2014-15	FY2015-16
Utilities	78	84	80
Communications	230	253	228
Publishing	53	56	46
Job Printing	63	66	59
Restaurants and Bars	642	641	646
Amusements	98	105	101
Rentals of Personal Property	476	508	501
Contracting (All)	2,326	2,261	1,527
Retail	6,658	6,985	7,353
Hotel/Motel	212	231	255
Other Taxable Activities	2,297	2,431	3,099
TOTAL	13,133	13,621	13,895

(1) License fees, Jet Fuel, Jet Fuel Use, Timber Severance, NSF, and Telecommunications Service Assistance are not included.

Figures may not add to total due to rounding.

TABLE 23
TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX COLLECTIONS (1)
IN YUMA COUNTY FOR THE PERIOD BEGINNING
JULY 1, 2015 AND ENDING JUNE 30, 2016

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	CALCULATED NET TAXABLE INCOME	% CHANGE FROM FY 2014-15	COLLECTIONS
Utilities	\$253,654,235	-1.9%	\$12,682,712
Communications	54,949,654	-4.1%	2,747,483
Publications	1,791,312	-6.6%	89,566
Job Printing	1,739,004	NA	86,950
Restaurants and Bars	260,855,263	5.9%	13,042,763
Amusements	13,275,924	-6.7%	663,796
Rentals of Personal Property	74,329,554	73.0%	3,716,478
Contracting (All)	187,419,651	-22.0%	9,370,983
Retail	1,511,911,704	5.0%	75,595,585
MRRA	2,162,365	NA	108,118
Hotel/Motel	49,690,653	2.7%	2,732,986
Other Taxable Activities (2)	78,413,230	5.6%	3,887,237
TOTAL	\$2,490,192,549	2.7%	\$124,724,656

NUMBER OF ACCOUNTS
FISCAL YEAR 2013-14 THROUGH FISCAL YEAR 2015-16

TAXABLE ACTIVITIES AND BUSINESS CLASSIFICATIONS	FY2013-14	FY2014-15	FY2015-16
Utilities	35	33	33
Communications	200	201	196
Publications	19	15	17
Job Printing	NA	NA	29
Restaurants and Bars	356	341	385
Amusement	41	47	46
Rentals of Personal Property	411	416	457
Contracting (All)	957	901	676
Retail	4,053	4,273	4,682
Hotel/Motel	102	112	101
Other Taxable Activities (2)	1,864	1,958	2,083
TOTAL	8,038	8,297	8,705

(1) License fees, Jet Fuel, Jet Fuel Use, Timber Severance, NSF, and Telecommunications Service Assistance are not included.

(2) For FY16 more categories have been classified under the Other Taxable Activities compared to FY15.

Figures may not add to total due to rounding.

TABLE 24
STATE TRANSACTION PRIVILEGE AND SEVERANCE TAX
DISTRIBUTION TO COUNTIES
FISCAL YEAR 2011-12 THROUGH FISCAL YEAR 2015-16

COUNTY	FY2011-12	FY2012-13	FY2013-14	FY2014-15	% CHANGE FROM	
					FY2015-16	FY 2014-15
Apache	\$4,148,680	\$4,339,846	\$4,744,332	\$4,839,048	\$5,093,593	5.3%
Coconino	17,035,207	17,805,463	19,091,249	19,874,734	20,913,297	5.2%
Cochise	10,964,080	12,165,517	11,890,286	12,338,129	12,394,000	0.5%
Gila	4,614,778	4,752,150	5,116,965	5,291,050	5,309,712	0.4%
Graham	3,624,351	3,606,256	3,728,358	3,584,450	3,661,065	2.1%
Greenlee	4,376,829	4,983,640	5,091,702	5,537,109	5,254,315	-5.1%
La Paz	1,941,213	2,116,238	2,265,894	2,201,275	2,234,314	1.5%
Maricopa	398,827,938	416,999,312	446,491,690	473,705,321	495,333,939	4.6%
Mohave	17,391,271	18,652,134	20,389,267	20,525,025	20,809,745	1.4%
Navajo	9,605,663	10,088,685	10,764,687	10,892,343	10,904,019	0.1%
Pima	92,723,932	97,196,166	101,665,722	105,207,881	107,547,188	2.2%
Pinal	26,600,160	27,498,147	29,395,885	30,449,266	31,521,458	3.5%
Santa Cruz	4,062,329	4,216,541	4,450,552	4,453,950	4,683,751	5.2%
Yavapai	22,955,984	23,792,545	25,284,422	25,791,153	26,790,047	3.9%
Yuma	17,095,552	17,962,799	18,762,967	19,359,619	20,114,766	3.9%
TOTAL	\$635,967,967	\$666,175,440	\$709,133,978	\$744,050,353	\$772,565,210	4.9%

Figures may not add to totals due to rounding.

TABLE 25
STATE TRANSACTION PRIVILEGE AND SEVERANCE TAX DISTRIBUTION TO MUNICIPALITIES
FISCAL YEAR 2015-16

CITIES	AMOUNT	COUNTY TOTAL	CITIES	AMOUNT	COUNTY TOTAL	CITIES	AMOUNT	COUNTY TOTAL	CITIES	AMOUNT	COUNTY TOTAL
APACHE			Thatcher	\$459,769	\$1,588,959	Tempe	\$15,357,220		Kearny	\$184,563	
Eagar	\$460,586		GREENLEE			Tolleson	\$620,722		Mammoth	\$134,943	
Springerville	\$184,890		Clifton	\$315,057		Wickenburg	\$603,408		Maricopa	\$4,139,073	
St. Johns	\$328,222	\$973,699	Duncan	\$66,410	\$381,467	Youngtown	\$583,990	\$335,826,054	Superior	\$268,351	\$17,866,448
COCHISE			LA PAZ			MOHAVE			SANTA CRUZ		
Benson	\$479,832		Parker	\$290,482		Bullhead City	\$3,728,320		Nogales	\$1,960,772	
Bisbee	\$523,037		Quartzsite	\$346,398	\$636,880	Colorado City	\$454,752		Patagonia	\$85,933	\$2,046,705
Douglas	\$1,644,426		MARICOPA			Kingman	\$2,653,411		YAVAPAI		
Huachuca City	\$174,025		Avondale	\$7,223,264		Lake Havasu City	\$4,961,508	\$11,797,992	Camp Verde	\$1,027,544	
Sierra Vista	\$4,135,108		Buckeye	\$4,885,632		NAVAJO			Chino Valley	\$1,022,547	
Tombstone	\$129,640		Carefree	\$319,012		Holbrook	\$476,296		Clarkdale	\$387,458	
Willcox	\$352,791	\$7,438,859	Cave Creek	\$475,403		Pinetop-Lakeside	\$404,308		Cottonwood	\$1,066,539	
COCONINO			Chandler	\$22,471,132		Show Low	\$1,006,843		Dewey-Humboldt	\$367,947	
Flagstaff	\$6,245,485		El Mirage	\$3,014,767		Snowflake	\$527,763		Jerome	\$41,963	
Fredonia	\$123,984		Fountain Hills	\$2,131,484		Taylor	\$388,096		Prescott	\$3,772,975	
Page	\$685,284		Gila Bend	\$182,034		Winslow	\$910,155	\$3,713,460	Prescott Valley	\$3,686,543	
Tusayan	\$52,692		Gilbert	\$19,942,683		PIMA			Sedona	\$948,696	\$12,322,213
Williams	\$285,840	\$7,393,284	Glendale	\$21,482,333		Marana	\$3,344,679		YUMA		
GILA			Goodyear	\$6,258,721		Oro Valley	\$3,886,852		San Luis	\$2,659,098	
Globe	\$709,329		Guadalupe	\$525,765		Sahuarita	\$2,385,534		Somerton	\$1,353,100	
Hayden	\$62,344		Litchfield Park	\$516,869		South Tucson	\$533,513		Wellton	\$272,206	
Miami	\$172,844		Mesa	\$41,651,157		Tucson	\$49,138,462	\$59,289,039	Yuma	\$8,576,180	\$12,860,585
Payson	\$1,443,371		Paradise Valley	\$1,217,296		PINAL					
Star Valley	\$217,610		Peoria	\$14,658,279		Apache Junction	\$3,396,781				
Winkelman	\$33,240	\$2,638,738	Phoenix	\$137,345,431		Casa Grande	\$4,602,342				
GRAHAM			Queen Creek	\$2,547,804		Coolidge	\$1,118,748				
Pima	\$226,143		Scottsdale	\$20,647,067		Eloy	\$1,571,675				
Safford	\$903,047		Surprise	\$11,164,580		Florence	\$2,449,973				
									TOTAL	\$476,774,383	\$476,774,383

City Distributions are based on relative population.
 Figures may not add to total due to rounding.

TABLE 26
MUNICIPAL PRIVILEGE TAX COLLECTION PROGRAM COLLECTIONS BY CITY
FISCAL YEAR 2015-16

CITY	RATE * (PERCENT)	COLLECTIONS	CITY	RATE * (PERCENT)	COLLECTIONS	CITY	RATE * (PERCENT)	COLLECTIONS	CITY	RATE * (PERCENT)	COLLECTIONS
Apache Junction (1)		\$6,449	Flagstaff (1)		\$91,607	Nogales		\$24,654	Snowflake	2.00	\$1,166,728
Avondale		48,642	Florence	2.00	4,279,837	Oro Valley	2.50	16,995,064	Somerton	3.30	1,831,728
Benson	3.50	3,857,192	Fountain Hills	2.60	9,214,115	Page	3.00	10,282,648	South Tucson	4.50	2,695,303
Bisbee	3.50	2,599,502	Fredonia	4.00	325,717	Paradise Valley	2.50	14,266,529	Springerville	3.00	1,458,728
Buckeye	3.00	22,077,790	Gila Bend	3.00	2,138,979	Parker	2.00	1,314,830	Star Valley	2.00	338,355
Bullhead City	2.00	11,982,867	Gilbert	1.50	76,950,956	Patagonia	3.00	232,412	Superior	4.00	702,561
Camp Verde	3.65	3,915,180	Glendale (1)		861,958	Payson	2.12	7,269,402	Surprise	2.20	46,725,062
Carefree	3.00	3,382,988	Globe	2.00	3,893,446	Peoria (1)		198,548	Taylor	2.00	985,310
Casa Grande	2.00	21,439,858	Goodyear	2.50	48,730,474	Phoenix (1)		3,836,379	Tempe (1)		624,480
Cave Creek	3.00	6,219,567	Guadalupe	4.00	2,442,338	Pima	2.00	378,049	Thatcher	2.50	2,836,172
Chandler (1)		524,581	Hayden	3.00	1,141,453	Pinetop-Lakeside	2.50	3,587,540	Tolleson	2.50	19,548,213
Chino Valley	4.00	5,359,039	Holbrook	3.00	3,238,229	Prescott (1)		107,582	Tombstone	3.50	996,378
Clarkdale	3.00	924,743	Huachuca City	1.50	137,196	Prescott Valley	2.83	18,283,099	Tucson (1)		275,300
Clifton	3.00	584,408	Jerome	3.50	849,016	Quartzsite	2.50	1,249,235	Tusayan	2.00	3,688,478
Colorado City	3.00	341,794	Kearny	3.00	491,859	Queen Creek	2.25	24,307,856	Wellton	2.50	727,674
Coolidge	3.00	4,829,893	Kingman	2.50	16,711,555	Safford	2.50	5,568,176	Wickenburg	2.20	4,239,398
Cottonwood	3.00	13,438,182	Lake Havasu City	2.00	19,943,113	Sahuarita	2.00	7,014,981	Willcox	3.00	2,309,706
Dewey-Humboldt	2.00	559,968	Litchfield Park	2.80	4,682,963	St. Johns	3.00	757,387	Williams	3.50	5,673,514
Douglas (1)		32,805	Mammoth	4.00	213,720	San Luis	4.00	7,508,359	Winkelman	3.50	90,093
Duncan	2.00	128,150	Marana	2.50	35,083,973	Scottsdale (1)		947,476	Winslow	3.00	5,263,914
Eagar	3.00	904,082	Maricopa	2.00	10,194,147	Sedona (2)	3.00	7,628,461	Youngtown	3.00	1,568,171
El Mirage	3.00	6,922,255	Mesa (1)		578,438	Show Low	2.00	10,652,385	Yuma	1.70	39,885,857
Eloy	3.00	5,561,071	Miami	2.50	332,218	Sierra Vista	1.95	17,749,083			
									TOTAL		\$661,959,571

* Rate shown is the rate charged on Retail transactions.

Current rates, are located here: <http://www.azdor.gov/Business/TransactionPrivilegeTax/TPTRates.aspx>

(1) Apache Junction, Avondale, Chandler, Douglas, Flagstaff, Glendale, Mesa, Nogales, Peoria, Phoenix, Prescott, Scottsdale, Tempe and Tucson were not officially part of the municipal collection program, however, the Department did collect some local taxes on their behalf during FY16.

(2) Effective January 1, 2016, Sedona rejoined the municipal privilege tax collection program. These collections represent a partial year.

For those cities who have left the program, collections shown include periods up to the effective date.

Figures may not add to total due to rounding.

TABLE 27
MUNICIPAL PRIVILEGE TAX COLLECTION PROGRAM
FISCAL YEAR 2011-12 THROUGH FISCAL YEAR 2015-16

FISCAL YEAR	TOTAL COLLECTIONS	NUMBER OF CITIES IN PROGRAM
2011-12	\$466,896,627	73
2012-13	\$506,978,968	73
2013-14	\$546,725,301	73
2014-15	\$583,920,974	76
2015-16	\$661,959,571	77

NON PROGRAM CITY MUNICIPAL PRIVILEGE TAX COLLECTIONS (1)

	FY 2013-14 (2)	FY 2014-15 (3)	FY 2015-16
APACHE JUNCTION	\$10,962,018	\$11,580,980	(4)
AVONDALE	\$37,389,523	\$40,533,299	(4)
BULLHEAD CITY	\$10,820,754	\$11,396,242	DOR Collected
CHANDLER	\$101,290,665	\$105,852,956	\$109,505,753
DOUGLAS	\$5,461,114	\$5,580,504	(4)
FLAGSTAFF	\$27,360,279	\$32,825,665	(4)
GLENDALE	\$135,267,254	\$150,445,943	\$148,327,201
MESA	\$140,049,323	\$148,123,750	(4)
NOGALES	\$10,046,503	\$9,872,709	(4)
PEORIA	\$71,237,000	\$74,223,915	\$79,410,318
PHOENIX	\$718,074,238	\$817,085,000	(4)
PRESCOTT	\$28,228,604	\$29,087,752	(4)
SCOTTSDALE	\$155,705,177	\$163,869,080	\$171,117,858
SEDONA	\$12,182,879	\$16,149,243	DOR Collected for part of FY16
SOMERTON	did not report	\$1,630,660	DOR Collected
TEMPE	\$137,074,000	\$139,504,000	(4)
TUCSON	\$196,486,876	\$207,518,273	(4)
WILLCOX	\$2,169,901	\$2,212,209	DOR Collected

(1) This is for informational purposes only

(2) As reported by the cities.

(3) Information provided by the League of Cities

(4) Not available at print time.

TABLE 28
INCOME TAX COLLECTIONS
FISCAL YEAR 2011-12 THROUGH FISCAL YEAR 2015-16

SOURCE	FY2011-12	FY2012-13	FY2013-14	FY2014-15	FY2015-16	PERCENT OF NET COLLECTIONS IN FY2015-16
<u>Withheld from Wages</u>						
Gross Revenue	\$3,343,314,942	\$3,459,818,705	\$3,580,656,587	\$3,699,577,473	\$3,850,489,512	
Refunds and Charge-offs	(10,751,762)	(9,321,721)	(11,985,321)	(8,309,159)	(10,788,368)	
NET	\$3,332,563,180	\$3,450,496,984	\$3,568,671,265	\$3,691,268,315	\$3,839,701,144	84.6%
<u>Individuals & Fiduciaries</u>						
Gross Revenue	\$1,027,389,330	\$1,170,646,638	\$1,131,388,277	\$1,297,323,652	\$1,412,003,111	
Regular Refunds and Charge-offs	(1,260,775,055)	(1,222,241,845)	(1,236,793,482)	(1,226,827,539)	(1,282,821,144)	
NET	(\$233,385,726)	(\$51,595,207)	(\$105,405,205)	\$70,496,113	\$129,181,968	2.8%
<u>Corporations</u>						
Gross Revenue	\$758,413,453	\$755,002,081	\$705,730,762	\$788,991,384	\$700,118,169	
Refunds and Charge-offs	(110,525,973)	(92,975,683)	(130,546,886)	(125,987,439)	(129,569,987)	
NET	\$647,887,480	\$662,026,398	\$575,183,876	\$663,003,945	\$570,548,182	12.6%
Subtotal Net Collections	\$3,747,064,934	\$4,060,928,175	\$4,038,449,937	\$4,424,768,372	\$4,539,431,293	100.0%
Less distributions for:						
Urban Revenue Sharing	\$424,423,442	\$513,584,045	\$561,001,195	\$608,935,729	\$605,634,332	
Child Abuse Prevention	156,194	158,556	169,215	172,806	202,972	
Veterans' Donation Fund	97,546	103,323	124,316	121,994	145,306	
Solutions Teams Assigned to Schools (1)	67,806	84,949	34,373	27,898	28,737	
Domestic Violence Shelter	122,343	115,625	133,220	131,840	154,485	
Special Olympics	74,582	63,923	73,088	76,482	82,672	
Wildlife Contributions	154,626	143,775	169,110	165,427	193,882	
Neighbors Helping Neighbors	31,315	32,549	34,364	30,122	35,569	
Clean Elections	6,273,004	579,740	76,503	36,555	18,385	
National Guard Relief Fund	43,577	40,660	39,299	42,494	500	
Sustainable State Parks and Road Fund	----	----	----	40,936	72,692	
I Did Not Pay Enough Fund	14,523	15,124	15,244	25,466	10,083	
Democratic Party	11,597	11,266	11,274	9,508	11,140	
Libertarian Party	568	444	847	519	393	
Republican Party	8,649	5,986	5,696	4,792	5,626	
Green Party	638	518	415	240	667	
Americans Elect	----	210	756	177	502	
Job Creation W/H Clearing Acct (2)	31,500,000	31,500,000	31,500,000	31,500,000	26,500,000	
Subtotal Distributions	\$462,980,411	\$546,440,691	\$593,388,915 (3)	\$641,322,984	\$633,097,943	
NET REVENUE TO STATE						
GENERAL FUND	\$3,284,084,523	\$3,514,487,484	\$3,445,061,022	\$3,783,445,387	\$3,906,333,351	
WQARF Distribution	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	
Sports and Tourism Authority	\$6,168,488	\$5,337,915	\$5,519,253	\$6,987,979	\$7,080,929	
Use Tax on Income Tax Return (4)	\$1,705,724	\$166,277	\$31,070	\$4,584	\$3,974	

- (1) Pursuant to SB 1447, Chapter 251, 1st Regular Session, 2013, monies in the Assistance for Education Fund are to be distributed to fund the Solutions Teams Assigned to Schools.
- (2) Pursuant to SB1473, Chapter 12, 1st Regular Session, 2015, the amount of withholding tax revenues to be transferred to the Job Creation Withholding Clearing Account in FY2015/16 was reduced to \$26.5 million.
- (3) Correction to reported FY14 distribution amounts.
- (4) Pursuant to HB 2332, Chapter 128, 1st Regular Session, 2011, taxpayers are to declare their annual amount of use tax on their individual income tax return beginning with taxable year 2011. Pursuant to SB1214, Chapter 323, 2nd Regular Session, 2012, the provision was repealed retroactively to tax years beginning January 1, 2012. The use tax amount has been adjusted out of Individual Gross Revenue and is included in the Transaction Privilege, Use and Severance tables.

**TABLE 29
EXEMPTIONS, DEDUCTIONS AND CREDITS
TAX YEAR 2011 THROUGH TAX YEAR 2014**

TAX YEAR	PERSONAL EXEMPTION (2)	BLIND EXEMPTION	AGE 65	DEPENDENT EXEMPTION	STANDARD DEDUCTION	MAXIMUM PROPERTY TAX CREDIT	MAXIMUM FAMILY TAX CREDIT
			AND OVER EXEMPTION		LIMIT (1)		
2011	\$2,100	\$1,500	\$2,100	\$2,300	\$4,703/\$9,406	\$502	\$240
2012	\$2,100	\$1,500	\$2,100	\$2,300	\$4,833/\$9,665	\$502	\$240
2013	\$2,100	\$1,500	\$2,100	\$2,300	\$4,945/\$9,883	\$502	\$240
2014	\$2,100	\$1,500	\$2,100	\$2,300	\$5,009/\$10,010	\$502	\$240

(1) Amounts shown are for single and married-filing-jointly returns.

(2) Beginning with tax year 1997, married filers claiming at least one dependent are entitled to an additional \$2,100 personal exemption.

**INDIVIDUAL INCOME TAX CREDITS
TAX YEAR 2012 THROUGH TAX YEAR 2014**

CREDIT	TAX YEAR 2012		TAX YEAR 2013		TAX YEAR 2014	
	CLAIMANTS	CREDITS	CLAIMANTS	CREDITS	CLAIMANTS	CREDITS
Agricultural Pollution Control	5	\$27,350	*	*	5	\$22,916
Agricultural Water Conservation	93	\$1,492,176	43	\$838,183	120	\$1,145,564
Airline Bankruptcy Payments	----	----	0	\$0	----	----
Clean Elections	28,320	\$537,541	----	----	----	----
Commercial & Industrial Solar Energy	157	\$639,332	117	\$408,692	108	\$324,550
Contributions to Qualifying Charitable Organizations	78,736	\$21,835,458	100,398	\$24,503,609	116,225	\$31,617,855
Donations to Military Family Relief Fund	2,967	\$989,868	2,936	\$989,606	2,913	\$977,410
Employing National Guard Members	*	*	0	\$0	*	*
Employment of TANF Recipients	*	*	*	*	*	*
Enterprise Zone	115	\$294,431	60	\$92,579	26	\$40,602
Environmental Technology	*	*	*	*	*	*
Family Tax Credit	520,448	\$5,399,635	538,319	\$5,017,004	580,028	\$4,770,077
Healthy Forest Enterprises	0	\$0	0	\$0	0	\$0
Income Taxes Paid to Other States	32,281	\$93,394,010	43,359	\$96,608,047	58,335	\$140,744,364
Increased Excise Taxes Paid	638,208	\$33,367,298	648,116	\$33,418,364	664,037	\$33,511,567
Investment in Qualified Small Business	281	\$1,069,297	297	\$1,064,348	364	\$1,716,442
Military Reuse Zone	0	\$0	0	\$0	*	*
Motion Picture Production & Infrastructure	3	\$16,505	0	\$0	0	\$0
New Employment Credit	0	\$0	0	\$0	*	*
Pollution Control Device	9	\$221,039	0	\$0	0	\$0
Private School Tuition Organization (1)	73,159	\$51,307,450	75,813	\$54,425,997	78,575	\$58,676,257
Private School Tuition Organization - Switcher (1)	16,518	\$12,947,997	28,932	\$23,201,403	34,731	\$28,371,948
Property Tax	18,767	\$7,222,443	19,012	\$7,327,176	19,277	\$7,406,381
Public School Extra Curricular Activity (1)	253,134	\$51,287,359	253,842	\$50,972,856	266,087	\$50,991,999
Qualified Facilities - Refundable	----	----	0	\$0	0	\$0
Qualified Health Insurance Plans	0	\$0	0	\$0	5	\$3,856
Recycling Equipment	0	\$0	0	\$0	0	\$0
Renewable Energy Industry - Refundable	0	\$0	0	\$0	0	\$0
Renewable Energy for Self-Consumption	----	----	----	----	0	\$0
Renewable Energy Production	0	\$0	0	\$0	5	\$309,243
Research & Development	559	\$7,825,336	631	\$8,386,728	790	\$10,501,226
Research & Development - Refundable (2)	14	\$132,142	10	\$152,013	4	\$18,981
Research & Development - University Research	0	\$0	0	\$0	0	\$0
School Site Donation	11	\$38,578	21	\$111,752	20	\$303,735
Solar Energy Device	7,754	\$3,874,538	7,716	\$3,824,470	7,931	\$4,142,240
Solar Hot Water Heater & Plumbing Stub Outs	13	\$1,125	12	\$975	93	\$9,384
Solar Liquid Fuel Research & Development	0	\$0	0	\$0	0	\$0
Water Conservation Systems	38	\$7,287	25	\$3,739	9	\$374
Total (3)	1,671,581	\$293,930,741	1,719,654	\$311,353,088	1,829,692	\$375,651,568

(1) Data reported is based on donation information provided to the Department of Revenue by the Private School Tuition Organizations and the Public Schools.

For the purposes of this report, it is assumed that all credit was used in the tax year.

(2) These taxpayers are already included in the research and development credit count.

(3) Total is for all credits, including those for which information cannot be divulged individually.

* The single asterisk indicates that no information can be released due to confidentiality laws in Arizona.

Figures for all credits shown here are subject to change, due to the verification process.

TABLE 30
RESIDENT INDIVIDUAL INCOME TAX LIABILITY
BY FEDERAL ADJUSTED GROSS INCOME
TAX YEAR 2013 (1)

FEDERAL ADJUSTED GROSS INCOME	# OF FILERS	% OF TOTAL	LIABILITY	% OF TOTAL
Negative Income	41,098	1.63%	\$293,621	0.01%
\$0.01 to \$1,999	45,971	1.82%	14,433	0.00%
\$2,000 to \$5,999	124,003	4.90%	47,282	0.00%
\$6,000 to \$9,999	160,441	6.35%	2,505,303	0.08%
\$10,000 to \$13,999	177,720	7.03%	10,500,272	0.33%
\$14,000 to \$19,999	256,944	10.16%	29,751,532	0.95%
\$20,000 to \$24,999	188,997	7.48%	39,701,788	1.26%
\$25,000 to \$29,999	163,698	6.47%	52,546,352	1.67%
\$30,000 to \$39,999	272,657	10.78%	134,336,161	4.28%
\$40,000 to \$49,999	202,041	7.99%	146,104,562	4.65%
\$50,000 to \$74,999	338,121	13.37%	361,205,104	11.50%
\$75,000 to \$99,999	213,241	8.43%	354,464,218	11.29%
\$100,000 to \$199,999	265,492	10.50%	813,039,066	25.89%
\$200,000 to \$499,999	64,813	2.56%	552,085,266	17.58%
\$500,000 to \$999,999	9,199	0.36%	221,311,204	7.05%
\$1,000,000 to \$4,999,999	3,595	0.14%	250,261,979	7.97%
\$5,000,000 and over	341	0.01%	172,017,529	5.48%
TOTAL	2,528,372	100.00%	\$3,140,185,672	100.00%

(1) This summary combines all liability reported on the Arizona Form 140, 140A and 140EZ Individual Income tax returns for tax year 2013, filed from January 2014 forward.

TABLE 31
NONRESIDENT/PART YEAR RESIDENT INDIVIDUAL INCOME TAX
LIABILITY BY FEDERAL ADJUSTED GROSS INCOME
TAX YEAR 2013 (1)

ARIZONA PORTION OF FEDERAL ADJUSTED GROSS INCOME	# OF FILERS	% OF TOTAL	LIABILITY	% OF TOTAL
Negative Income	55,101	19.26%	\$4,570,028	2.12%
\$0.01 to \$1,999	34,122	11.93%	328,778	0.15%
\$2,000 to \$5,999	43,227	15.11%	1,299,512	0.60%
\$6,000 to \$9,999	28,876	10.09%	1,989,469	0.92%
\$10,000 to \$13,999	20,829	7.28%	2,682,996	1.24%
\$14,000 to \$19,999	22,057	7.71%	4,788,073	2.22%
\$20,000 to \$24,999	13,120	4.59%	4,305,568	1.99%
\$25,000 to \$29,999	9,991	3.49%	4,337,846	2.01%
\$30,000 to \$39,999	14,364	5.02%	8,581,969	3.97%
\$40,000 to \$49,999	9,893	3.46%	8,342,556	3.86%
\$50,000 to \$74,999	14,172	4.95%	17,906,649	8.29%
\$75,000 to \$99,999	6,991	2.44%	13,845,678	6.41%
\$100,000 to \$199,999	8,851	3.09%	31,685,229	14.67%
\$200,000 to \$499,999	3,161	1.11%	29,989,262	13.88%
\$500,000 to \$999,999	780	0.27%	19,173,445	8.88%
\$1,000,000 to \$4,999,999	464	0.16%	33,647,978	15.58%
\$5,000,000 and over	63	0.02%	28,516,351	13.20%
TOTAL	286,062	100.00%	\$215,991,386	100.00%

(1) This summary combines all liability reported on the Arizona Form 140NR and 140PY Individual Income tax returns for tax year 2013, filed from January 2014 forward.

TABLE 32
CORPORATE INCOME TAX
CORPORATE TAXPAYER BY SIZE OF TAX LIABILITY
TAX YEAR 2013 (1)

CORPORATE TAX LIABILITY	# OF FILERS	% OF TOTAL	LIABILITY	% OF TOTAL
\$50 Minimum	33,782	74.0%	\$1,689,100	0.2%
\$50 to \$99	800	1.8%	58,515	0.0%
\$100 to \$999	4,058	8.9%	1,716,322	0.2%
\$1,000 to \$4,999	3,339	7.3%	8,037,652	1.0%
\$5,000 to \$9,999	1,013	2.2%	7,175,240	0.9%
\$10,000 to \$49,999	1,469	3.2%	33,753,112	4.3%
\$50,000 to \$99,999	415	0.9%	29,086,544	3.7%
\$100,000 to \$499,999	537	1.2%	120,116,320	15.4%
\$500,000 to \$999,999	117	0.3%	80,893,542	10.4%
\$1,000,000 to \$35,000,000	128	0.3%	497,565,935	63.8%
TOTAL	45,658	100.0%	\$780,092,282	100.0%

CORPORATE INCOME TAX CREDITS
TAX YEAR 2013

CREDIT TYPE	# OF FILERS	CREDIT USED	CARRYFORWARD AVAILABLE
Agricultural Pollution Control Equipment	0	\$0	\$0
Commercial & Industrial Solar Energy	16	\$189,752	\$73,141
Contributions to School Tuition Organizations	98	\$26,097,925	\$4,571,570
Contributions to School Tuition Organizations for Disabled/Displaced Students	14	\$368,627	\$137,968
Employing National Guard Members	5	\$10,050	\$2,950
Employment of TANF Recipients	8	\$113,498	\$90,762
Enterprise Zone	47	\$1,894,417	\$3,209,850
Environmental Technology	*	*	*
Healthy Forest Enterprises	0	\$0	\$0
Military Reuse Zone	*	*	*
Motion Picture Production & Infrastructure	3	\$833,889	\$7,331
New Employment	18	\$5,916,200	\$1,046,700
Pollution Control Device	19	\$1,714,164	\$4,667,337
Qualified Facilities	0	\$0	\$0
Qualified Health Insurance Plans	*	*	*
Renewable Energy Industry	*	*	*
Renewable Energy Production	8	\$8,754,958	\$15,616,518
Research & Development	324	\$91,114,599	\$1,050,840,830
Research & Development - Refundable (2)	26	\$4,247,369	\$0
Research & Development for University Research	*	*	*
School Site Donation	*	*	*
Solar Hot Water Heater Plumbing Stub-Outs	0	\$0	\$0
Solar Liquid Fuel Research & Development	0	\$0	\$0
Taxes Paid on Coal Used in Electric Generation	*	*	*
Water Conservation	0	\$0	\$0
TOTAL (3)	576	\$142,197,925	\$1,093,149,494

(1) This summary combines all liability on the Arizona Form 120 or 120A Corporate Income Tax returns for tax year 2013 filed from January 2014 forward.

(2) These taxpayers are already included in the research and development credit count.

(3) Total is for all credits, including those for which information cannot be divulged individually.

* The single asterisk indicates that no information can be released due to confidentiality laws in Arizona.

Figures may not add to total due to rounding.

TABLE 33
AVERAGE FEDERAL ADJUSTED GROSS INCOME
AND AVERAGE TAX LIABILITY PER RETURN
BY COUNTY FOR TAX YEAR 2013

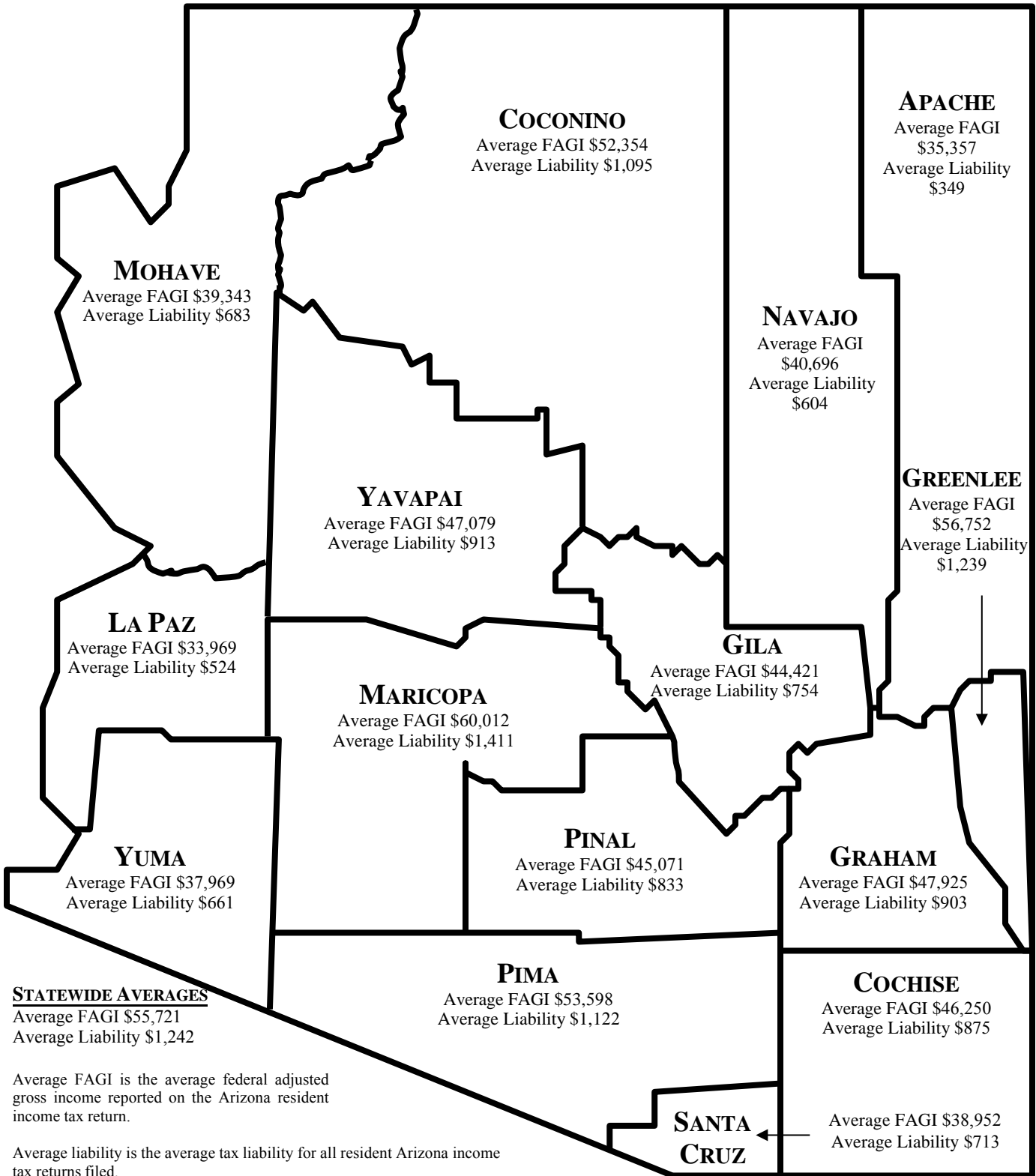


TABLE 34
URBAN REVENUE SHARING
FISCAL YEAR 2011-12 THROUGH FISCAL YEAR 2015-16

FISCAL YEAR	AMOUNT
2011-12	\$424,423,442
2012-13	\$513,584,045
2013-14	\$561,001,194
2014-15	\$608,935,729
2015-16	\$605,634,332

TABLE 35
DISTRIBUTION OF INCOME TAX AS URBAN REVENUE SHARING
TO MUNICIPALITIES IN FISCAL YEAR 2015-16

CITIES BY COUNTY	AMOUNT	% OF TOTAL	CITIES BY COUNTY	AMOUNT	% OF TOTAL
APACHE					
Eagar	\$588,153	0.10%	Queen Creek	\$3,173,861	0.52%
St. Johns	418,992	0.07%	Scottsdale	26,173,125	4.32%
Springerville	236,104	0.04%	Surprise	14,149,031	2.34%
COCHISE					
Benson	\$614,641	0.10%	Tempe	19,470,946	3.21%
Bisbee	671,229	0.11%	Tolleson	788,017	0.13%
Douglas	2,108,081	0.35%	Wickenburg	766,104	0.13%
Huachuca City	223,101	0.04%	Youngtown	741,182	0.12%
Sierra Vista	5,284,109	0.87%	MOHAVE		
Tombstone*	180,600	0.03%	Bullhead City	\$4,760,611	0.79%
Willcox	452,342	0.07%	Colorado City	580,448	0.10%
COCONINO					
Flagstaff	\$7,930,739	1.31%	Kingman	3,379,384	0.56%
Fredonia*	180,600	0.03%	Lake Havasu City	6,324,244	1.04%
Page	872,538	0.14%	NAVAJO		
Tusayan*	180,600	0.03%	Holbrook	\$608,381	0.10%
Williams	363,969	0.06%	Pinetop-Lakeside	515,552	0.09%
GILA					
Globe	\$906,852	0.15%	Show Low	1,283,463	0.21%
Hayden*	180,600	0.03%	Snowflake	673,035	0.11%
Miami	221,175	0.04%	Taylor	495,084	0.08%
Payson	1,842,238	0.30%	Winslow	1,162,461	0.19%
Star Valley	278,124	0.05%	PIMA		
Winkelman*	180,600	0.03%	Marana	\$4,209,300	0.70%
GRAHAM					
Pima	\$287,394	0.05%	Oro Valley	4,937,719	0.82%
Safford	1,151,745	0.19%	Sahuarita	3,041,180	0.50%
Thatcher	585,745	0.10%	South Tucson	680,500	0.11%
GREENLEE					
Clifton	\$398,644	0.07%	Tucson	62,621,898	10.34%
Duncan*	180,600	0.03%	PINAL		
LA PAZ					
Parker	\$371,193	0.06%	Apache Junction	\$4,315,131	0.71%
Quartzsite	442,710	0.07%	Casa Grande	5,847,942	0.97%
MARICOPA					
Avondale	\$9,179,045	1.52%	Coolidge	1,423,728	0.24%
Buckeye	6,125,464	1.01%	Eloy	2,002,370	0.33%
Carefree	404,905	0.07%	Florence	3,074,531	0.51%
Cave Creek	603,805	0.10%	Kearny	234,780	0.04%
Chandler	28,453,619	4.70%	Mammoth*	180,600	0.03%
El Mirage	3,828,355	0.63%	Maricopa	5,235,227	0.86%
Fountain Hills	2,707,673	0.45%	Superior	341,574	0.06%
Gila Bend	231,409	0.04%	SANTA CRUZ		
Gilbert	25,085,553	4.14%	Nogales	\$2,508,772	0.41%
Glendale	27,297,178	4.51%	Patagonia*	180,600	0.03%
Goodyear	7,859,101	1.30%	YAVAPAI		
Guadalupe	664,968	0.11%	Camp Verde	\$1,309,108	0.22%
Litchfield Park	659,310	0.11%	Chino Valley	1,302,365	0.22%
Mesa	52,860,478	8.73%	Clarkdale	493,278	0.08%
Paradise Valley	1,543,526	0.25%	Cottonwood	1,356,305	0.22%
Peoria	18,549,406	3.06%	Dewey-Humboldt	468,837	0.08%
Phoenix	174,234,020	28.77%	Jerome*	180,600	0.03%
			Prescott	4,797,092	0.79%
			Prescott Valley	4,674,164	0.77%
			Sedona	1,207,731	0.20%
			YUMA		
			San Luis	\$3,360,240	0.55%
			Somerton	1,720,153	0.28%
			Wellton	346,992	0.06%
			Yuma	10,915,452	1.80%
			TOTAL	\$605,634,332	100.00%

City distributions are based on relative population.

*Population adjusted to reflect minimum requirement of 1,500 per HB 2391, Chapter 290, 2nd Regular Session, 2008.

Figures may not add to total due to rounding.

**TABLE 36
STATE OF ARIZONA
2016 PRIMARY PROPERTY TAX LEVIES**

TAX AUTHORITY	NET ASSESSED VALUATION	STATE	COUNTY	CITIES and TOWNS	COMMUNITY COLLEGES	SCHOOLS	ALL OTHER	TOTAL	PRIMARY RATE
APACHE	\$453,791,208	\$3,553,477	\$2,560,290	\$0	\$0	\$7,896,699	\$0	\$14,010,466	\$3.09
COCHISE	\$909,774,049	\$4,722,984	\$23,905,223	\$2,480,098	\$20,797,435	\$44,705,450	\$0	\$96,611,190	\$10.62
COCONINO	\$1,569,812,808	\$9,535,938	\$9,086,077	\$6,318,876	\$7,706,211	\$63,854,561	\$0	\$96,501,663	\$6.15
GILA	\$496,294,071	\$2,591,254	\$20,794,722	\$2,075,192	\$4,335,129	\$22,686,504	\$0	\$52,482,801	\$10.57
GRAHAM	\$193,098,383	\$986,303	\$4,749,641	\$250,005	\$5,941,251	\$9,053,684	\$0	\$20,980,885	\$10.87
GREENLEE	\$424,428,003	\$3,262,368	\$2,619,145	\$483,221	\$0	\$8,199,703	\$0	\$14,564,437	\$3.43
LA PAZ	\$200,919,282	\$1,006,606	\$4,737,677	\$0	\$4,524,903	\$5,752,486	\$0	\$16,021,672	\$7.97
MARICOPA	\$36,135,494,474	\$210,324,982	\$506,222,142	\$240,206,695	\$447,212,880	\$1,542,293,340	\$0	\$2,946,260,039	\$8.15
MOHAVE	\$1,696,199,992	\$8,658,993	\$33,408,355	\$4,338,691	\$22,539,105	\$71,493,476	\$0	\$140,438,621	\$8.28
NAVAJO	\$803,062,466	\$4,142,239	\$6,802,742	\$371,710	\$14,361,969	\$31,510,806	\$0	\$57,189,467	\$7.12
PIMA	\$7,816,699,760	\$41,291,977	\$335,305,153	\$17,087,271	\$107,346,738	\$393,401,406	\$0	\$894,432,545	\$11.44
PINAL	\$2,119,750,925	\$10,622,706	\$82,032,241	\$18,132,657	\$48,487,183	\$90,884,231	\$0	\$250,159,017	\$11.80
SANTA CRUZ	\$309,834,858	\$1,556,046	\$11,800,370	\$0	\$1,529,965	\$13,959,256	\$0	\$28,845,637	\$9.31
YAVAPAI	\$2,344,409,942	\$15,431,748	\$44,607,088	\$2,254,668	\$43,228,575	\$78,713,308	\$0	\$184,235,387	\$7.86
YUMA	\$1,116,022,260	\$5,591,272	\$27,547,893	\$12,717,457	\$25,133,937	\$55,060,682	\$0	\$126,051,242	\$11.29
TOTAL STATE	\$56,589,592,481	\$323,278,892	\$1,116,178,759	\$306,716,542	\$753,145,280	\$2,439,465,592	\$0	\$4,938,785,066	\$8.73
AVERAGE STATE PRIMARY TAX RATE PER \$100				\$8.73					

2015 PRIMARY PROPERTY TAX LEVIES

TAX AUTHORITY	NET ASSESSED VALUATION	STATE	COUNTY	CITIES and TOWNS	COMMUNITY COLLEGES	SCHOOLS	ALL OTHER	TOTAL	PRIMARY RATE
APACHE	\$489,723,731	\$4,269,135	\$2,547,543	\$0	\$0	\$8,206,040	\$0	\$15,022,717	\$3.07
COCHISE	\$920,583,366	\$4,853,676	\$24,189,249	\$2,411,857	\$20,028,212	\$50,501,577	\$0	\$101,984,571	\$11.08
COCONINO	\$1,537,418,218	\$9,444,733	\$8,817,093	\$6,233,822	\$7,478,002	\$62,417,926	\$0	\$94,391,577	\$6.14
GILA	\$482,515,161	\$2,438,632	\$20,217,385	\$1,563,724	\$4,111,994	\$21,547,013	\$0	\$49,878,748	\$10.34
GRAHAM	\$203,987,445	\$1,048,574	\$4,706,194	\$247,857	\$5,887,078	\$8,795,036	\$0	\$20,684,740	\$10.14
GREENLEE	\$465,533,779	\$4,830,511	\$2,619,093	\$407,883	\$0	\$7,563,185	\$0	\$15,420,671	\$3.31
LA PAZ	\$201,755,860	\$1,217,546	\$4,757,403	\$0	\$4,368,014	\$5,814,134	\$0	\$16,157,098	\$8.01
MARICOPA	\$34,623,670,323	\$205,826,452	\$471,455,751	\$232,070,202	\$437,227,709	\$1,484,573,491	\$0	\$2,831,153,604	\$8.18
MOHAVE	\$1,685,788,538	\$8,874,685	\$33,203,291	\$4,282,498	\$21,792,188	\$74,852,444	\$0	\$143,005,106	\$8.48
NAVAJO	\$832,770,173	\$5,116,802	\$7,009,427	\$361,469	\$14,509,355	\$28,079,681	\$0	\$55,076,733	\$6.61
PIMA	\$7,620,360,873	\$40,840,598	\$334,424,674	\$16,688,073	\$104,315,120	\$376,294,083	\$0	\$872,562,548	\$11.45
PINAL	\$2,057,547,528	\$10,401,781	\$82,379,301	\$17,467,111	\$47,323,593	\$91,765,063	\$0	\$249,336,850	\$12.12
SANTA CRUZ	\$317,370,907	\$1,607,574	\$12,087,388	\$0	\$1,483,709	\$14,151,131	\$0	\$29,329,802	\$9.24
YAVAPAI	\$2,279,183,448	\$15,130,241	\$44,026,987	\$2,143,834	\$42,668,593	\$78,111,435	\$0	\$182,081,091	\$7.99
YUMA	\$1,120,339,479	\$5,662,196	\$27,068,877	\$11,349,068	\$24,255,350	\$50,258,656	\$0	\$118,594,147	\$10.59
TOTAL STATE	\$54,838,548,829	\$321,563,137	\$1,079,509,657	\$295,227,397	\$735,448,917	\$2,362,930,895	\$0	\$4,794,680,003	\$8.74
AVERAGE STATE PRIMARY TAX RATE PER \$100				\$8.74					

NOTE: Some increase/decrease due to reporting tax levies in different authorities than in previous years.

**TABLE 37
STATE OF ARIZONA
2016 SECONDARY PROPERTY TAX LEVIES**

TAX AUTHORITY	NET ASSESSED VALUATION	STATE	COUNTY	CITIES and TOWNS	COMMUNITY COLLEGES	SCHOOLS	ALL OTHER	TOTAL	SECONDARY RATE
APACHE	\$453,791,208	\$0	\$4,698,252	\$0	\$1,989,874	\$2,012,455	\$5,277,622	\$13,978,203	3.08
COCHISE	\$909,774,049	\$0	\$4,251,562	\$278,132	\$0	\$5,945,889	\$9,157,396	\$19,632,979	2.16
COCONINO	\$1,569,812,808	\$0	\$11,997,638	\$5,879,357	\$2,048,606	\$16,334,964	\$17,042,576	\$53,303,140	3.40
GILA	\$496,294,071	\$0	\$1,699,807	\$0	\$0	\$5,082,038	\$7,228,769	\$14,010,615	2.82
GRAHAM	\$193,098,383	\$0	\$304,449	\$0	\$0	\$1,220,373	\$580,425	\$2,105,248	1.09
GREENLEE	\$424,428,003	\$0	\$1,244,325	\$0	\$0	\$1,567,815	\$43,000	\$2,855,139	0.67
LA PAZ	\$200,919,282	\$0	\$200,919	\$0	\$750,233	\$201,357	\$4,549,929	\$5,702,438	2.84
MARICOPA	\$36,135,494,474	\$0	\$82,602,090	\$279,519,668	\$82,208,250	\$958,583,801	\$256,158,288	\$1,659,072,097	4.59
MOHAVE	\$1,696,199,992	\$0	\$13,186,211	\$0	\$0	\$7,581,264	\$21,205,740	\$41,973,214	2.47
NAVAJO	\$803,062,466	\$0	\$5,325,818	\$0	\$0	\$9,990,769	\$14,317,816	\$29,634,403	3.69
PIMA	\$7,816,699,760	\$0	\$122,297,916	\$33,873,886	\$0	\$103,476,339	\$89,662,316	\$349,310,457	4.47
PINAL	\$2,119,750,925	\$0	\$6,531,904	\$6,072,059	\$7,196,554	\$29,302,042	\$29,907,804	\$79,010,364	3.73
SANTA CRUZ	\$309,834,858	\$0	\$2,435,549	\$0	\$0	\$3,177,039	\$6,139,836	\$11,752,424	3.79
YAVAPAI	\$2,344,409,942	\$0	\$10,907,947	\$42,826	\$4,974,838	\$18,228,327	\$42,647,299	\$76,801,237	3.28
YUMA	\$1,116,022,260	\$0	\$12,551,736	\$0	\$4,167,227	\$12,745,908	\$877,146	\$30,342,018	2.72
TOTAL STATE	\$56,589,592,481	\$0	\$280,236,124	\$325,665,928	\$103,335,582	\$1,175,450,380	\$504,795,963	\$2,389,483,977	\$4.22
AVERAGE STATE SECONDARY TAX RATE PER \$100				\$4.22					

2015 SECONDARY PROPERTY TAX LEVIES

TAX AUTHORITY	NET ASSESSED VALUATION	STATE	COUNTY	CITIES and TOWNS	COMMUNITY COLLEGES	SCHOOLS	ALL OTHER	TOTAL	SECONDARY RATE
APACHE	\$490,430,671	\$0	\$4,750,516	\$0	\$2,036,759	\$2,436,353	\$5,275,994	\$14,499,621	\$2.96
COCHISE	\$920,583,366	\$0	\$4,299,422	\$280,130	\$0	\$5,021,094	\$9,123,204	\$18,723,850	\$2.03
COCONINO	\$1,540,028,458	\$0	\$11,771,386	\$5,717,291	\$1,911,175	\$16,086,317	\$16,434,508	\$51,920,678	\$3.37
GILA	\$482,515,161	\$0	\$1,652,614	\$0	\$0	\$4,428,506	\$7,256,157	\$13,337,278	\$2.76
GRAHAM	\$203,987,445	\$0	\$301,046	\$0	\$0	\$1,823,890	\$571,925	\$2,696,861	\$1.32
GREENLEE	\$465,533,779	\$0	\$1,315,625	\$0	\$0	\$1,578,515	\$37,700	\$2,931,840	\$0.63
LA PAZ	\$201,755,860	\$0	\$201,756	\$0	\$785,436	\$689,908	\$4,422,295	\$6,099,394	\$3.02
MARICOPA	\$34,623,670,323	\$0	\$72,779,242	\$231,710,214	\$80,049,926	\$858,489,419	\$245,240,094	\$1,488,268,895	\$4.30
MOHAVE	\$1,685,788,538	\$0	\$13,084,502	\$0	\$0	\$9,822,067	\$20,332,347	\$43,238,916	\$2.56
NAVAJO	\$832,770,173	\$0	\$5,491,430	\$0	\$0	\$11,488,751	\$13,799,302	\$30,779,483	\$3.70
PIMA	\$7,620,360,873	\$0	\$117,854,379	\$33,217,111	\$0	\$103,613,310	\$85,032,399	\$339,717,198	\$4.46
PINAL	\$2,057,547,528	\$0	\$6,350,353	\$5,855,213	\$7,197,301	\$32,042,747	\$29,466,305	\$80,911,920	\$3.93
SANTA CRUZ	\$317,370,907	\$0	\$2,494,180	\$0	\$0	\$3,329,998	\$6,079,598	\$11,903,776	\$3.75
YAVAPAI	\$2,279,183,448	\$0	\$10,170,117	\$76,927	\$4,968,620	\$17,140,288	\$41,073,477	\$73,429,429	\$3.22
YUMA	\$1,120,339,479	\$0	\$12,580,610	\$0	\$4,361,482	\$11,363,601	\$884,877	\$29,190,570	\$2.61
TOTAL STATE	\$54,841,866,009	\$0	\$265,097,178	\$276,856,885	\$101,310,698	\$1,079,354,765	\$485,030,182	\$2,207,649,709	\$4.03
AVERAGE STATE SECONDARY TAX RATE PER \$100				\$4.03					

NOTE: Some increase/decrease due to reporting tax levies in different authorities than in previous years.

**TABLE 38
AVERAGE PROPERTY TAX RATES
PER \$100 OF ASSESSED VALUATION
2012 THROUGH 2015**

	2013		2014	
	PRIMARY	SECONDARY	PRIMARY	SECONDARY
School Districts	\$4.29	\$2.10	\$4.39	\$1.99
Counties	1.81	0.46	1.91	0.46
State	0.55	0.00	0.58	0.00
Cities and Towns	0.55	0.46	0.54	0.50
Community Colleges	1.31	0.19	1.32	0.19
Special Districts	0.00	0.80	0.00	0.79
	\$8.52	\$4.02	\$8.75	\$3.92
TOTAL	\$12.54		\$12.67	
	2015		2016	
	PRIMARY	SECONDARY	PRIMARY	SECONDARY
School Districts	\$4.31	\$1.97	\$4.31	\$2.08
Counties	1.97	0.48	1.97	0.50
State	0.59	0.00	0.57	0.00
Cities and Towns	0.54	0.50	0.54	0.50
Community Colleges	1.34	0.18	1.33	0.18
Special Districts	0.00	0.79	0.00	0.89
	\$8.74	\$4.03	\$8.73	\$4.22
TOTAL	\$12.77		\$12.95	

School district rate includes Unorganized School Districts.

Figures may not add to total due to rounding.

Miscellaneous Tax

Bingo Collections

The tax on state licensed bingo operations is based on a multi-tiered licensing structure. There are three classes of bingo licenses, each of which has a different tax rate.

Each licensee's tax rate is based on bingo receipts. Class A licensees, whose gross receipts do not exceed \$15,600 per year, are taxed at 2.5 percent of their adjusted gross receipts. (Adjusted gross receipts are the monies left after paying prizes.) Class B and Class C licensees are taxed on their gross receipts. Class B licensees, whose gross receipts do not exceed \$300,000, are taxed at 1.5 percent of their gross receipts. Class C licensees, whose gross receipts exceed \$300,000 per year, are taxed at 2 percent of their gross receipts from bingo.

All taxes collected are deposited in the state general fund (Refer to Table 39).

TABLE 39
BINGO COLLECTIONS
FISCAL YEAR 2011-12 THROUGH FISCAL YEAR 2015-16

FISCAL YEAR	AMOUNT
2011-12	\$508,145
2012-13	\$519,998
2013-14	\$521,583
2014-15	\$507,212
2015-16	\$476,079

BINGO COLLECTIONS

	FY2011-12	FY2012-13	FY2013-14	FY2014-15	FY2015-16
Licenses	\$18,164	\$18,175	\$17,580	\$17,136	\$16,159
Proceeds	486,056	497,493	499,608	482,440	456,902
Penalty, Interest and Miscellaneous	3,926	4,331	4,395	7,636	3,018
TOTAL	\$508,145	\$519,998	\$521,583	\$507,212	\$476,079

Miscellaneous Tax

Estate Tax Collections

Arizona's Estate Tax was effectively repealed January 1, 2005, following the elimination of the Federal State Death Tax Credit by Congress. No Arizona estate tax is owed on the estate of a person who dies after 2004 and there is no requirement to file an Arizona Form 76. We continue to receive late original returns and amended tax returns for decedents with a date of death prior to 2005 as it can take years to settle a complicated estate.

TABLE 40
ESTATE TAX COLLECTIONS (1)
FISCAL YEAR 2011-12 THROUGH FISCAL YEAR 2015-16

Fiscal Year	Collections	Refunds	Net
2011-12	\$200,825	\$0	\$200,825
2012-13	\$0	\$0	\$0
2013-14	\$0	\$0	\$0
2014-15	\$0	\$0	\$0
2015-16	\$0	\$0	\$0

Figures may not add to total due to rounding.

(1) Arizona's estate tax was effectively repealed January 1, 2005, following the elimination of the Federal State Death Tax Credit by Congress.

	FY2011-12	FY2012-13	FY2013-14	FY2014-15	FY2015-16
Collections	\$200,825	\$0	\$0	\$0	\$0
Refunds	\$0	\$0	\$0	\$0	\$0
Net	\$200,825	\$0	\$0	\$0	\$0

Miscellaneous Tax

Luxury Tax Collections

Arizona's luxury tax applies to cigarettes, other tobacco products, and alcoholic beverages. The department is responsible for issuing tobacco licenses and stamps and collecting taxes on tobacco products and alcoholic beverages. The department also investigates and confiscates contraband tobacco products.

Of the monies collected per the Tobacco Products Referendum (Prop 303), \$40.3 million was distributed to the Prop 204 Protection Account, \$25.9 million to the Medically Needy Account, \$19.2 million for Emergency Health Services, \$4.8 million for Health Research, and \$1.9 million for Health Education. Due to the passage of the Tobacco Tax and Health Care Initiative in November 1994, \$47.5 million was distributed to the Medically Needy Fund, \$15.6 million to the Health Education Fund and \$3.4 million to the Health Research Fund. The Corrections Fund, established by the Legislature in 1984 to pay for prison construction, received \$30.1 million. The Drug Treatment and Education Fund received \$9.2 million, and the Corrections Revolving Fund received \$3.7 million due to the passage of Proposition 200 in 1994. The Smoke Free AZ fund received \$2.9 million due to the passage of Proposition 201 in 2006. The Early Childhood Development and Health Fund received \$126.2 million due to the passage of Proposition 203 in 2006. The remaining \$58.2 million was deposited into the state general fund. (Refer to Table 41)

TABLE 41
LUXURY TAX COLLECTIONS
FISCAL YEAR 2011-12 THROUGH FISCAL YEAR 2015-16

SOURCE:	FY2011-12	FY2012-13	FY2013-14	FY2014-15	FY2015-16	PERCENT OF COLLECTIONS IN FY2015-16
Spirituos Liquor	\$31,847,105	\$32,184,954	\$33,588,102	\$33,963,657	\$34,551,657	8.9%
Vinous Liquor	15,430,577	15,155,547	15,583,934	15,624,518	16,160,560	4.1%
Malt Liquor	21,101,489	21,343,360	21,974,061	21,682,060	21,568,413	5.5%
Liquor Collections	\$68,379,171	\$68,683,862	\$71,146,096	\$71,270,235	\$72,280,629	18.6%
Tobacco - All Types						
Gross Revenue	\$337,777,289	\$331,347,184	\$327,788,207	\$331,926,341	\$341,591,816	
Refunds	(17,978,338)	(15,583,872)	(15,299,166)	(17,161,399)	(23,630,049)	
Licenses	7,925	7,825	8,198	6,775	6,625	
Administrative Expenses	(677,280)	(676,090)	(574,345)	(679,500)	(630,981)	
Net Tobacco Collections	\$319,129,597	\$315,095,046	\$311,922,894	\$314,092,217	\$317,337,411	81.4%
TOTAL COLLECTIONS	\$387,508,768	\$383,778,908	\$383,068,990	\$385,362,452	\$389,618,040	100.0%
DISTRIBUTIONS:						
State General Fund	\$56,357,085	\$56,184,596	\$58,711,664	\$56,746,947	\$58,168,800	
Tobacco Tax & Health Care Fund	61,879,113	61,958,027	58,050,632	63,194,425	62,624,638	
Tobacco Products Tax Fund	90,953,118	91,044,441	91,923,081	93,055,529	92,031,875	
Drug Treatment & Education Fund	8,805,071	8,822,752	9,111,608	9,092,642	9,209,833	
DOC Revolving Fund	3,512,659	3,520,473	3,636,704	3,630,371	3,677,579	
Department of Corrections Fund	28,518,897	28,468,675	29,253,753	29,249,936	29,714,628	
DOC Transfer from Prop 200 Funds	1,259,100	1,259,414	1,343,199	1,426,934	1,203,345	
Prop 200 Transfer from Prop 303 Funds	3,789,120	3,792,927	3,748,474	3,876,853	3,839,047	
Smoke Free AZ	3,043,448	2,956,134	2,918,213	2,848,986	2,941,563	
Early Childhood Development and Health Fund	129,391,158	125,771,470	124,371,662	122,239,828	126,206,733	
TOTAL DISTRIBUTIONS	\$387,508,768	\$383,778,908	\$383,068,990	\$385,362,451	\$389,618,040	

Figures may not add to total due to rounding.

Miscellaneous Tax

Unclaimed Property Collections and Distributions

Responsibilities of the Unclaimed Property Unit include the collection, safekeeping, and disposition of abandoned property and escheated estates.

The Unclaimed Property staff receives and maintains records related to unclaimed funds along with other intangible and tangible personal property that is presumed to be abandoned. This property is received from business associations, banking and financial institutions, insurance companies, fiduciaries, state courts, and governmental agencies.

Common examples of unclaimed property are:

- State warrants not cashed after six months.
- Payroll checks written to employees not cashed after one year.
- Contents of safe deposit boxes on which rent has not been paid for three years.
- Government and Court property not claimed in two years.
- Stock or other equity interest in a business association or financial institution with no activity for three years.
- Bank or credit union accounts with no activity for three years.
- Cashier and other official checks not cashed in three years.
- Checks written to vendors or customers not cashed after three years.
- Money orders not cashed in three years.
- Traveler's checks not cashed in fifteen years.

There is no statute of limitations for filing a claim for unclaimed property. Owners may recover their property at any time with proper documentation.

ESCHEATED ESTATES

In addition to their Unclaimed Property responsibilities, staff members also establish and maintain records of Escheated Estates. An Escheated Estate is created when a person dies without leaving a will and has no known heirs. When this condition exists, his or her property reverts to the state as the original and ultimate proprietor after seven years. Funds received from escheated estates are deposited into the Permanent State School Fund. (Refer to Table 42.)

TABLE 42
UNCLAIMED PROPERTY COLLECTIONS AND DISTRIBUTIONS
FISCAL YEAR 2011-12 THROUGH FISCAL YEAR 2015-16

SOURCE:	FY2011-12	FY2012-13	FY2013-14	FY2014-15	FY2015-16
UNCLAIMED PROPERTY	\$115,160,041	\$131,397,401	\$113,119,156	\$126,763,806	\$149,833,143
Refunds	(40,049,513)	(40,013,520)	(34,059,189)	(42,673,868)	(54,884,199)
NET	\$75,110,528	\$91,383,881	\$79,059,967	\$84,089,938	\$94,948,944
 ESCHEATED ESTATES	 186,322	 327,961	 649,079	 736,221	 273,583
Refunds	(158,988)	(302,974)	(283,812)	(697,553)	(255,824)
NET	\$27,334	\$24,987	\$365,267	\$38,668	\$17,759
 TOTAL NET REVENUE	 \$75,137,862	 \$91,408,868	 \$79,425,235	 \$84,128,606	 \$94,966,703
 DISTRIBUTIONS:					
General Fund	\$45,819,445	\$60,899,609	\$49,165,753	\$54,034,910	\$64,941,156
Housing Fund	2,500,000 (3)	2,500,000	2,500,000	2,500,000	2,500,000
SMI Housing Fund (3)	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Victim Restitution Fund	100,540	612,703	684,584	683,239	716,782
Operating transfers	-----	514,700	-----	-----	-----
Admin Fund (2)	24,500,000	24,500,000	24,500,000	24,500,000	24,500,000
 Net to Permanent State School Fund:					
Escheated Estates	\$27,334	\$27,334	\$24,987	\$38,668	\$17,759
Unclaimed Shares/dividends	184,618	332,986	190,053	355,232	280,021 (1)
Storage Facility	5,925	23,884	19,578	16,558	10,985
 TOTAL DISTRIBUTION	 \$75,137,862	 \$91,411,215	 \$79,084,954	 \$84,128,606	 \$94,966,703

(1) FY15 Escheated Estates will be transferred in FY16.

(2) Pursuant to SB 1003, Chapter 3, 4th Special Session, 2009.

(3) Pursuant to SB 1616, Chapter 28, 1st Regular Session, 2011.

Figures may not add to total due to rounding.

Miscellaneous Tax

Waste Tire Fee Distributions

The Arizona waste tire fee is a fee applied to the sale of new motor vehicle tires. The fee is to be collected quarterly at a rate of two percent of the purchase price not to exceed two dollars per tire.

During fiscal year 2016, the department collected \$9,668,642 and distributed 3.5% to the Arizona Department of Environmental Quality with the remainder being distributed to the counties based on the number of motor vehicles registered in the county (Refer to Table 43).

The distribution is performed quarterly.

TABLE 43
WASTE TIRE FEE DISTRIBUTION
FISCAL YEAR 2011-12 THROUGH FISCAL YEAR 2015-16

	FY2011-12	FY2012-13	FY2013-14	FY2014-15	FY2015-16
Apache	\$110,216	\$113,633	\$118,662	\$117,372	\$132,813
Cochise	225,450	227,680	231,444	227,946	237,807
Coconino	211,898	218,206	226,483	224,115	243,201
Gila	115,502	118,562	121,854	120,219	127,968
Graham	51,514	53,295	54,820	53,919	57,728
Greenlee	16,315	16,991	17,421	17,578	19,325
La Paz	52,807	54,978	56,558	56,305	61,612
Maricopa	4,531,883	4,645,996	4,800,866	4,731,031	5,173,068
Mohave	413,996	425,534	439,690	437,219	476,427
Navajo	176,949	182,631	189,926	188,345	207,273
Pima	1,133,099	1,146,478	1,169,151	1,160,602	1,215,296
Pinal	414,977	431,565	449,131	447,688	495,759
Santa Cruz	82,081	84,896	87,754	86,986	95,855
Yavapai	407,032	419,652	434,938	433,130	469,557
Yuma	276,990	286,595	294,940	292,174	316,550
Arizona Department of Environmental Quality	298,160	305,631	316,056	312,114	338,402
Total	\$8,518,868	\$8,732,325	\$9,009,694	\$8,906,743	\$9,668,642

Figures may not add to total due to rounding.

The seal of the State of Arizona is a large, faint watermark in the background. It is circular with the text "SEAL OF THE STATE OF ARIZONA" around the top and "1912" at the bottom, flanked by two stars. In the center is a shield depicting a landscape with a mountain, a river, and a sun rising over hills.

2016 Legislative Summaries

**State of Arizona
Department
of Revenue**

This document contains summaries of 2016 legislation from the Fifty Second Legislature – Second Regular Session.

2016 Legislative Summaries

The following is intended to give a brief summary of the major 2016 tax-related legislation impacting the Department of Revenue (DOR) and not intended to discuss the specifics of any particular enactment. Detailed summaries and the chaptered versions of these bills can also be found at www.azleg.gov. Please refer to the particular legislation for more definitive information.

The general effective date for legislation enacted during the First Regular Session is August 6, 2015. All legislation will have this effective date unless otherwise noted in the summary.

Income Tax

HB 2114 (Chapter 231) Declaration; Independent Business Status

Permits an employing unit and contractor to create a rebuttable presumption of an independent contractor relationship by prescribing a Declaration of Independent Business Status Form.

HB 2190 (Chapter 331) Education omnibus

Contributions to a public school for extracurricular activities for which a fee *may* be charged are eligible to be claimed as an individual income tax credit for contributions for public school extracurricular activities and character education programs.

HB 2388 (Chapter 214) Qualified disability expenses; eligible individuals

Beginning in tax year 2016, establishes an individual income tax subtraction for any amount of qualified disability expenses that is distributed from a qualified Achieving a Better Life Experience Act (ABLE) program determined pursuant to federal law and that is included in income computing federal adjusted gross income.

Additionally provides for an individual income tax addition for the amount of a withdrawal from and ABLE account that is not qualified disability expense to the extent not included in federal adjusted gross income.

HB 2449 (Chapter 197) Taxation; self-reported errors; injured spouses

Authorizes a taxpayer filing a married filing jointly tax return to apply to the Department of Revenue for protection of the taxpayer's share of any refund from a setoff for past due state taxes, child support, spousal maintenance, debt to courts or debt to state agencies of the taxpayer's spouse. The amount of protected share is prorated based on each spouse's estimated tax payments or taxes withheld from wages and may not exceed taxpayer's portion of the entire refund.

Eliminates the penalty for taxpayers who voluntarily file an amended return and report an amount of additional tax due that exceeds the greater of 10% of the actual tax liability or \$2000.

HB 2697 (Chapter 118)
Bonus depreciation; budget reconciliation;
2016-2017.

Increases the percentage of depreciation allowed pursuant to the Internal Revenue Code for Arizona income tax purposes from 10% to 55% in tax year 2016 and from 55% to 100% in tax years 2017 and beyond.

HB 2708 (Chapter 125)
Revenue; budget reconciliation; 2016-2017

See Multiple Tax Types

SB 1137 (Chapter 216)
Schools; CPR instruction.

Requires public schools to provide cardiopulmonary resuscitation (CPR) training to high school students by July 1, 2019. Beginning tax year 2016, contributions for CPR training in a public school are eligible to be claimed as an individual income tax credit for contributions for public school extracurricular activities and character education programs.

SB 1216 (Chapter 109)
Charitable donations; tax credit amounts

For taxable years beginning January 1, 2016, increases the amount of tax credit a taxpayer may claim for contributions to a qualifying charitable organization (QCO) from \$200 to \$400 for individuals and \$400 to \$800 for married couples. The amount of tax credit a taxpayer may claim for contributions to a qualified foster care organization (QFCO) is increased from \$400 to \$500 for individuals and from \$800 to \$1000 for married couples.

A taxpayer is eligible to claim a tax credit for separate voluntary cash contributions to both a QCO and to a QFCO.

SB 1217 (Chapter 309)
Charitable tax credit; contribution date

For taxable years beginning January 1, 2016, contributions made to a QCO or a QFCO on or before April 15th may be claimed as a tax credit in the current or preceding taxable year.

SB 1288 (Chapter 155)
Internal revenue code conformity

Incorporates the federal changes made in 2015 into Arizona's definition of "internal revenue code."

SB 1289 (Chapter 156)
Tax corrections

See Multiple Tax Types

Transaction Privilege Tax/Use Tax

HB 2025 (Chapter 359)
Utilities TPT; sales of propane

The gross proceeds of sales or gross income derived from the sale of liquefied petroleum gas to, and purchases of liquefied petroleum gas made by, a business that is principally engaged in manufacturing or smelting operations is exempt from transaction privilege tax under the utility classification and use tax.

HB 2133 (Chapter 181)
TPT; exemption; aerial applicators

Retroactive to April 18, 1985, the sale of agricultural aircraft used for the commercial production of agricultural crops and products is exempted from retail TPT and use tax.

HB 2326 (Chapter 361)
Agricultural feed; sales; tax exemption

Expands the current deduction under the retail classification of the TPT for gross income or gross receipts derived from sales of livestock and poultry feed, salts, vitamins and other additives to include transactions with persons for use or consumption by their own livestock or consumption in noncommercial livestock boarding.

HB 2533 (Chapter 367)
Charter aircraft; tax exemption

Beginning July 1, 2017, the current deduction under the retail classification of the TPT for gross income or gross receipts derived from sales of aircraft, navigational and communication instruments and other accessories and related equipment is expanded to include transactions with any person that is federally licensed or certificated to transport persons for hire.

HB 2536 (Chapter 368)
Fine art; TPT exemption

Exempts, from retail TPT and use tax, gross income or gross receipts derived from sales of works of fine art at an auction or gallery in this state to nonresidents of this state for use outside this state if the vendor ships or delivers the work of fine art to a destination outside of this state.

HB 2584 (Chapter 369)
Data center tax relief; qualification

Retroactive to September 13, 2013, modifies the requirements and qualifications for an owner, operator or qualified colocation tenant of a computer data center to be certified by the Arizona Commerce Authority for purposes of tax relief for purchases of qualifying computer data center equipment.

HB 2674 (Chapter 373)
TPT exemption; amateur races

Retroactively exempts the gross proceeds of sales or gross income derived from entry fees from noncompetitive races consisting of a run, walk, swim, bicycle ride or a combination of these events, from the amusement classification of the TPT. The retroactivity only applies to those qualified events where the sponsor did not collect additional monies to offset the operator's TPT liability from the participants.

Beginning March 1, 2017, the exemption is limited to noncompetitive races sponsored by nonprofit organizations.

HB 2676 (Chapter 374)
Utilities; manufacturing; smelting; TPT

Beginning January 1, 2017, expands the exemption of gross proceeds of sales or gross income derived from the sale of electricity or natural gas to, and purchases of electricity and natural gas made by, a qualified manufacturing or smelting business from TPT under the utility classification and use tax.

SB 1289 (Chapter 156)
Tax corrections

See Multiple Tax Types

SB 1310 (Chapter 223)
TPT exemption; billboard rentals

Exempts the leasing or renting of billboards that are used to advertise or inform and are visible from any street, road or other highway from the personal property rental classification of TPT.

SB 1350 (Chapter 208)
online lodging; administration; definitions

Establishes the Online Lodging Marketplace Classification of the TPT consisting of the business of operating an online lodging marketplace licensed with the Department. The tax base for the online lodging marketplace classification is the gross proceeds of sales or gross income derived from the business. The tax rate for this classification is 5.5% of the tax base.

For taxable periods beginning January 1, 2018, a property manager that obtains a TPT license may file a monthly electronic consolidated tax return with respect to gross proceeds or gross income derived from the individual properties under management on behalf of the property owners. The Department is required to develop an electronic consolidated return form that separately identifies each owner's property locations and the gross income and deductions for each property location.

SB 1492 (Chapter 171)
Taxis, limousines, livery vehicles

Exempts *vehicle for hire* companies that have been issued a permit by the Arizona Department of Transportation and drivers operating under a company permit on *vehicle for hire* transactions from the transporting classification of TPT.

SB 1505 (Chapter 357)
Tax exemption; natural gas delivery

The gross proceeds of sales or gross income derived from gas transportation services related to purchases of natural gas made by a business that is principally engaged in manufacturing or smelting operations is exempt from transaction privilege tax under the utility classification and use tax.

Property Tax

HB 2481 (Chapter 364)
Schools; primary property tax rates

To determine the property tax levy, school districts must use the lesser of the qualifying tax rate or the district support level. The four percent budget balance carryforward cap is eliminated.

SB 1157 (Chapter 144)
Small property tax balance delinquency

The delinquency date for property tax amounts totaling \$100 or less, is extended from November 1 to December 31 at 5:00 p.m.

SB 1432 (Chapter 168)
Conservation easements; tax classification; registry

Establishes Class Two (C) as a subclass of Class Two property for the purposes of taxation consisting of real property currently burdened by a conservation easement. The assessment ratio for property classified under Class Two (C) is 15 percent

The county assessors are required to maintain a public digital registry of each parcel of property classified as Class Two (C) and periodically verify the status of properties classified as Class Two (C) and revise information in the registry as necessary.

SB 1523 (Chapter 173)
truth in taxation; levy increases

Any proposed community college district, county or municipal property tax levy that is proposed to increase by 15% or more from the previous year, excluding increases due to new construction, may only be approved by the jurisdiction's governing body by a unanimous roll call vote.

Luxury Tax

HB 2708 (Chapter 125)
Revenue; budget reconciliation; 2016-2017

See Multiple Tax Types

SB 1289 (Chapter 156)
Tax corrections

See Multiple Tax Types

SB 1381 (Chapter 76)
Wine; direct shipment

Allows a winery holding an Alcohol and Tobacco Tax Trade Bureau basic permit to apply for a direct shipment license administered by the Department of Liquor Licenses and Control (DLLC). Licensees may sell and ship wine to consumers for personal use.

All wine sold under a direct shipment license is deemed to be sold in this state for the purpose of assessing TPT and luxury taxes.

Multiple Tax Types/Misc.

HB 2100 (Chapter 115)
state agency reports; electronic submission

State agencies are authorized to submit all statutorily required reports and budget estimates electronically.

Each state agency must post all statutorily required reports and budget estimates on the agency's website.

HB 2343 (Chapter 239)
unclaimed property; auditor contingency contracts

In conducting an audit of holders of unclaimed property, including an audit performed by contingent fee auditors, the holder must be provided a *notice of rights*.

The Department is required to establish procedures to monitor the performance of contingent fee auditors and develop metrics to evaluate the accuracy of unclaimed property auditor recommendations. The outcome of the evaluation metric can be taken into consideration when developing audit engagements.

The Department must also issue a request for information by January 1, 2017, to explore the feasibility of contracting for audits relating to unclaimed property that are not contingent on the auditor performance in recovering unclaimed property.

HB 2483 (Chapter 258)
municipal population estimates; use

A city or town may elect to use the most recent population estimates from the United States Bureau of the Census or the results of a special

census in the first year following that census count as the basis for apportionment of state shared revenues. The results of the special census may only be used for only one year, and beginning on July 1 in the second year after the special census, the city or town must use the most recent population estimates from the U.S. Bureau of the Census as the basis for apportionment.

The most recent population estimates of the U.S. Bureau of the Census must be used annually for distribution of state shared tax revenues to cities and towns beginning on July 1 in the second year following the decennial census through June 30 of the year following the next decennial census.

Before May 1 of the sixth year following a federal decennial census, a county may submit the county's population estimate as of the fifth year following the last decennial census (as approved by the Office of Employment and Population Statistics) to be used for distribution of state shared revenues to the director of the Department of Revenue and the State Treasurer.

HB 2708 (Chapter) Revenue; budget reconciliation; 2016-2017

Assessments for Local Governments

The Department of Revenue (DOR) is required to assess and collect fees from local governments in FY 2015-1016 for costs incurred in providing administrative and collections services.

Local governments may meet their cost sharing obligation from any source of revenue designated by the appropriate county, city or town and the contributions are excluded from applicable expenditure limitations.

Tax Recovery Program

DOR is required to establish a tax recovery (amnesty) program from September 1, 2016, through October 31, 2016, for the purposes of reducing or waiving civil penalties and interest for unpaid tax liabilities for any period before January

1, 2014, for annual filers, and February 1, 2015, for all other filers.

Native American Veterans Tax Settlement

Establishes a program for Native American veterans of the United States armed forces to claim a settlement payment for income tax withheld (but not otherwise claimed as a refund) by the Department of Defense during the period of September 1, 1993 through January 1, 2006.

\$2M is appropriated to pay settlement claims. The Department of Revenue and the Department of Veterans' Services are appropriated 5%, respectively, to administer the program.

Tobacco Tax Stamps

Increases the discount rate a tobacco distributor may purchase tobacco stamps from 96% of the stamp's face value to 96.48% of the stamp's face value beginning September 30, 2016.

The Department is required to remit \$3.52 per stamp to each distributor as an administrative allowance for stamps with either a face value of \$0 or do not require tobacco tax to be precollected.

If a distributor requests a refund for tobacco stamps or redemption of unused or spoiled stamps, the refund must be issued as the total face value of the stamps, minus 4% if the stamps were purchased or acquired between October 1, 2014 and September 30, 2016 or the total face value of the stamps, minus 3.52%, if the stamps were purchased or acquired after September 30, 2016.

Any rebate of stamps in which no precollected tax was required must be reimbursed at the full face value of the stamps.

SB 1289 (Chapter 156)

Tax corrections

Makes numerous, technical, clarifying and conforming changes in the tax-related statutes in the Arizona Revised Statutes.

**FY 2016 ANNUAL REPORT
ARIZONA DEPARTMENT OF REVENUE
1600 WEST MONROE
PHOENIX ARIZONA 85007
602-716-6090**