



# ARIZONA DEPARTMENT OF REVENUE

## MEMORANDUM

**DATE:** April 15, 2011

**FROM:** THE OFFICE OF ECONOMIC RESEARCH & ANALYSIS

### ***FEBRUARY 2011 TAX FACTS***

#### **SUMMARY OF GENERAL FUND REVENUES**

	<u>February 2011</u>	<u>Fiscal Year Total</u>
<b>Individual Income Tax</b>		
Net Collections	\$ 12,480,411	\$ 1,692,912,307
Percent Change	(132.3)%	23.2%
<b>Corporate Income Tax</b>		
Net Collections	\$ 7,028,620	\$ 273,271,928
Percent Change	N/A	90.8%
<b>Transaction Privilege, Severance &amp; Use Taxes</b>		
Net Collections	\$ 272,340,889	\$ 2,296,065,338
Percent Change	6.0%	1.2%
<b>Total Big Three Tax Types</b>		
Net Collections	\$ 291,849,920	\$ 4,262,249,573
Percent Change	36.6%	12.6%

## INDIVIDUAL INCOME TAX

### Individual Income Tax Receipts

	February 2011	February 2010	% Change
Gross Collections	\$ 18,877,777	\$ 17,153,243	10.1%
Withholding	277,749,282	253,541,507	9.5%
Refunds	(244,646,104)	(256,950,276)	(4.8)%
Urban Revenue Sharing	(39,500,543)	(52,387,052)	(24.6)%
<b>Net Collections</b>	<b>\$ 12,480,411</b>	<b>\$ (38,642,579)</b>	<b>(132.3)%</b>

	Fiscal Year Total (10/11)	Fiscal Year Total (09/10)	% Change
Gross Collections	\$ 308,475,513	\$ 306,988,700	0.5%
Withholding	2,158,991,703	2,018,614,054	7.0%
Refunds	(458,550,561)	(532,426,047)	(13.9)%
Urban Revenue Sharing	(316,004,347)	(419,096,420)	(24.6)%
<b>Net Collections</b>	<b>\$ 1,692,912,307</b>	<b>\$ 1,374,080,287</b>	<b>23.2%</b>

### Average Individual Income Tax Refund

	Average	Number
2011 CYTD	\$ 487.37	725,812
2010 CYTD	\$ 557.64	641,302
<b>% Change</b>	<b>(12.60)%</b>	<b>13.18%</b>

### Individual Income Tax Estimated Payments

Taxpayers are required to make estimated payments if their Arizona gross income will exceed \$75,000, in an amount which will represent unpaid tax liability at the end of the taxpayer's tax year. Total estimated payments paid with form 140ES for tax year 2009 were \$379.6 million, for an average of \$1,667. An additional \$133.8 million in estimated payments came from 2008 tax returns that applied their refunds as a 2009 estimated payment, for an average of \$2,590. Estimated payments received through February 2011 for tax year 2010 are as follows:

		Monthly	Cumulative
February 2011	140 ES Payment	\$ 1,912,596	\$ 325,493,570
February 2010	140 ES Payment	\$ 1,848,656	\$ 372,581,432
	<b>% change</b>	<b>3.5%</b>	<b>(12.6)%</b>
February 2011	Average Payment	\$ 1,094	\$ 1,587
February 2010	Average Payment	\$ 1,368	\$ 1,671
	<b>% change</b>	<b>(20.0)%</b>	<b>(5.0)%</b>
February 2011	Applied Refund	\$ 276,807	\$ 115,979,447
February 2010	Applied Refund	\$ 547,585	\$ 130,940,602
	<b>% change</b>	<b>(49.4)%</b>	<b>(11.4)%</b>
February 2011	Monthly Total	\$ 2,189,403	\$ 441,473,017
February 2010	Monthly Total	\$ 2,396,241	\$ 503,522,034
	<b>% change</b>	<b>(8.6)%</b>	<b>(12.3)%</b>

### **Withholding**

Withholding payments are received from employers and applied towards a specific quarter for the designated year. Information is gathered for 15 months for any given quarter. For example, from January 2008 through March 2009, \$834.6 million was received for the first quarter of 2008. The latest complete quarter (15 months of information has been compiled) is the fourth quarter of 2009, which shows a decrease of 2.80% in withholding payments over the fourth quarter of 2008. Growth in quarters for which information is still being gathered is as follows:

1st Quarter 2010	(1.48)%	2nd Quarter 2010	1.15%
3rd Quarter 2010	6.07%	4th Quarter 2010	6.13%
1st Quarter 2011	15.56%		

Beginning July 1, 2010, the state withholding tables calculate Arizona withholding as a percentage of gross taxable wages. The withholding rates were revised effective January 1, 2011. The new withholding rates are 0%, 0.8%, 1.3%, 1.8%, 2.7%, 3.6%, 4.2% or 5.1%. The 0% option is only available to those individuals who expect no tax liability in the current year.

### **Clean Elections**

As a result of the January 1998 voter approval of the Citizens Clean Elections, Arizona's income taxpayers can make a donation to the Citizens Clean Elections Commission through an income tax check-off or through a voluntary donation. The following is for returns filed in 2011.

	<b>February 2011</b>	<b>Calendar Year Total</b>
Check Off	\$ 1,456,665	\$ 1,825,850
Voluntary Donation	\$ 7,881	\$ 8,578
Number of Returns	211,208	271,055

### **Contributions on the Individual Income Tax Return**

Through February 2011, individual income tax return filers have made the following contributions:

	<b>Number</b>	<b>Amount</b>	<b>Average</b>
AID to Education	165	\$ 15,842	\$ 96.01
Child Abuse Prevention	2,183	\$ 41,441	\$ 18.98
Domestic Violence Prevention	1,437	\$ 28,102	\$ 19.56
I Didn't Pay Enough In	101	\$ 3,349	\$ 33.16
National Guard Contributions	481	\$ 8,784	\$ 18.26
Neighbors Helping Neighbors	424	\$ 6,043	\$ 14.25
Special Olympics	867	\$ 15,551	\$ 17.94
Wildlife	1,745	\$ 31,458	\$ 18.03
Veterans Fund	992	\$ 22,039	\$ 22.22
Democratic Party	59	\$ 1,507	\$ 25.54
Green Party	3	\$ 32	\$ 10.67
Libertarian Party	7	\$ 95	\$ 13.57
Republican Party	24	\$ 570	\$ 23.75

## CORPORATE INCOME TAX

### Corporate Income Tax Receipts

	February 2011	February 2010	% Change
Gross Collections	\$ 13,963,686	\$ 14,730,211	(5.2)%
Refunds	\$ (6,935,066)	\$ (19,376,636)	(64.2)%
<b>Net Collections</b>	<b>\$ 7,028,620</b>	<b>\$ (4,646,425)</b>	N/A

  

	Current Fiscal Year Total	Prior Fiscal Year Total	% Change
Gross Collections	\$ 354,220,334	\$ 354,453,450	(0.1)%
Refunds	\$ (80,948,406)	\$ (211,251,374)	(61.7)%
<b>Net Collections</b>	<b>\$ 273,271,928</b>	<b>\$ 143,202,076</b>	90.8%

### Corporate Estimated Payments

Corporations are required to file estimated tax payments throughout the year only if (1) their Arizona tax liability exceeds \$1,000 and (2) they are required to file federal estimated tax payments.

February 2011	\$ 8,434,877	Calendar Year Total	\$ 29,003,241
February 2010	\$ 9,127,152	Calendar Year Total	\$ 39,415,016
% Change	(7.6)%	% Change	(26.4)%

All corporations with an income tax liability of \$20,000 or greater are required to make estimated tax payments through electronic funds transfer (eft). The table below shows the number of these eft estimated payments, by size of payment.

Size of Payment ➔	Less than \$50,000	\$50,000 up to \$100,000	\$100,001 up to \$500,000	\$500,001 up to \$1,000,000	\$1,000,001 up to \$10,000,000	\$10,000,001 and more	Total	% change
February 2011	57	7	12	1	1	0	78	(10.3)%
February 2010	65	8	11	2	1	0	87	
<b>CY 2011</b>	<b>180</b>	<b>17</b>	<b>33</b>	<b>2</b>	<b>3</b>	<b>0</b>	<b>235</b>	<b>2.2%</b>
<b>CY 2010</b>	<b>160</b>	<b>31</b>	<b>28</b>	<b>8</b>	<b>3</b>	<b>0</b>	<b>230</b>	

The next table shows the dollars of eft estimated payments received from those counts above.

Size of Payment ➔	Less than \$50,000	\$50,000 up to 100,000	\$100,001 up to \$500,000	\$500,001 up to 1,000,000	\$1,000,001 and more	Total	% change
February 2011	\$ 592,991	\$ 553,000	\$ 3,331,870	\$ 620,000	\$ 2,600,000	\$ 7,697,861	1.6%
February 2010	\$ 653,350	\$ 570,350	\$ 2,787,592	\$ 1,364,000	\$ 2,200,000	\$ 7,575,292	
<b>CY 2011</b>	<b>\$ 1,798,211</b>	<b>\$ 1,216,000</b>	<b>\$ 9,072,132</b>	<b>\$ 1,153,000</b>	<b>\$ 9,224,000</b>	<b>\$ 22,463,343</b>	<b>(32.9)%</b>
<b>CY 2010</b>	<b>\$ 1,604,120</b>	<b>\$ 2,139,957</b>	<b>\$ 6,457,572</b>	<b>\$ 5,851,568</b>	<b>\$ 17,400,000</b>	<b>\$ 33,453,217</b>	

### Corporate Refunds:

Corporate refunds paid in any state fiscal year are for a mixture of corporate fiscal years. The table below presents the percent of refunds paid in FY 09/10 by corporate fiscal year. For example, in FY 09/10, 13.2% of the refund dollars paid were for corporate fiscal years ending in 2005 or before. The percentages are for refunds paid through the fiscal year.

<b>Corporate Fiscal Year-End:</b>	<b>05 &amp; Prior</b>	<b>06</b>	<b>07</b>	<b>08</b>	<b>09</b>	<b>10</b>
FY 09/10	13.2%	4.9%	6.7%	69.4%	5.7%	0.1%
<b>Corporate Fiscal Year-End:</b>	<b>06 &amp; Prior</b>	<b>07</b>	<b>08</b>	<b>09</b>	<b>10</b>	<b>11</b>
FY 10/11	26.3%	7.6%	4.6%	52.9%	8.6%	0.0%

The corporate refunds shown above are those refunds for which a check is mailed to the corporation. Sometimes corporations choose to apply their refund as an estimated payment. The following table presents refunds applied as estimated payments in the most recent month and for the calendar year.

<b>February 2011</b>	\$ 5,027,113	<b>Calendar Year Total</b>	\$ 13,254,870
<b>February 2010</b>	\$ 7,513,998	<b>Calendar Year Total</b>	\$ 26,979,439
<b>% Change</b>	(33.1)%	<b>% Change</b>	(50.9)%

**Corporate Income Tax Document Count**

The Arizona Department of Revenue received 133,545 corporate returns showing a fiscal year-end of 2009. The type of return received is indicated below:

	<b>120X (amended)</b>	<b>120 (regular)</b>	<b>120S (S-corp)</b>	<b>99T (exempt org.)</b>	<b>120 A (short form)</b>
#	199	34,819	85,659	661	12,207
%	0.2%	26.1%	64.1%	0.5%	9.1%

Through February 2011, 11,926 documents were received for a fiscal year-end of 2010, distributed as follows:

	<b>120X (amended)</b>	<b>120 (regular)</b>	<b>120S (S-corp)</b>	<b>99T (exempt org.)</b>	<b>120 A (short form)</b>
#	19	7,174	2,505	86	2,142
%	0.2%	60.1%	21.0%	0.7%	18.0%

The figures for the 2010 returns are most meaningful when compared to 2009 returns received during the same period of time in the previous year. Through February 2010, the Department of Revenue received 12,461 documents with a fiscal year-end of 2009. Compared to 2010 documents, the Department has seen a 4.3% **decrease** in the number of corporate returns processed at this point of time in the calendar year.

**Urban Revenue Sharing Returned to Cities/Towns**

Incorporated cities and towns receive a share of net individual and corporate income tax collections, called Urban Revenue Sharing. The amount of money to be distributed during Fiscal Year 2010/11 is 15.0% of net proceeds from Fiscal Year 2008/09 income tax. Amounts returned for February 2011 are shown on Table 2 located at the end of this report.

## TRANSACTION PRIVILEGE, SEVERANCE AND USE TAXES

### Transaction Privilege, Severance and Use Tax Receipts

The Arizona transaction privilege and severance tax consists of many classifications of tax. These classifications include but are not limited to retail, contracting, amusements, restaurants and bars, hotel/motel and mining severance tax. The collections for all such categories are divided, per statute, into two parts. One part is called distribution base; the other part is known as non-shared. The division of collections into these two parts varies from category to category. For example, retail sales tax is 40% distribution base and 60% non-shared. In contrast, contracting is 20% distribution base and 80% non-shared. Use tax is 100% non-shared. At the close of each month, transaction privilege and severance tax collections are aggregated by category and total distribution base and non-shared portions are calculated. The amount shown as "Use Tax" in the table below includes use tax, use inventory tax and jet fuel use tax. Education tax is in accordance with Proposition 301 resulting in an additional 0.6% education tax being added to most business classifications. Temporary Tax is in accordance with Proposition 100 passed in May 2010, resulting in an additional 1% being added to most business classifications. The Temporary Tax is scheduled to expire on May 31, 2013. The "Other Revenue" category includes county excise, road, jail and hospital taxes and various other excise taxes, such as the 911 excise tax.

	February 2011	February 2010	% change
Distribution Base	\$ 117,517,300	\$ 109,521,180	7.3%
Non Shared	\$ 211,104,076	\$ 200,563,148	5.3%
Use Tax	\$ 20,705,096	\$ 18,626,941	11.2%
Education Tax	\$ 40,195,576	\$ 37,797,786	6.3%
Temporary Tax	\$ 66,471,235	N/A	N/A
Other Revenues	\$ 53,079,822	\$ 49,267,983	7.7%
<b>Total Collections</b>	<b>\$ 509,073,105</b>	<b>\$ 415,777,038</b>	<b>22.4%</b>

	Fiscal Year Total (10/11)	Fiscal Year Total (09/10)	% change
Distribution Base	\$ 965,641,982	\$ 946,642,540	2.0%
Non Shared	\$ 1,790,467,638	\$ 1,771,499,677	1.1%
Use Tax	\$ 172,547,780	\$ 170,909,506	1.0%
Education Tax	\$ 339,529,044	\$ 335,399,559	1.2%
Temporary Tax	\$ 543,918,504	N/A	N/A
Other Revenues	\$ 433,922,064	\$ 428,492,398	1.3%
<b>Total Collections</b>	<b>\$ 4,246,027,012</b>	<b>\$ 3,652,943,680</b>	<b>16.2%</b>

### Distribution of Transaction Privilege, Severance and Use Tax Receipts

Of the distribution base portion of transaction privilege and severance taxes, described above, 25% is returned to incorporated cities/towns, 40.51% is returned to counties and 34.49% goes to the state general fund with the exception of mining severance tax. All of the non-shared revenue and use tax is deposited into the general fund. Therefore, the "Retained by State" figure presented on the next page includes all non-shared portion of transaction privilege tax, use tax and 34.49% of the distribution base collections. The education tax is distributed in accordance with Proposition 301. Temporary Tax is in accordance with Proposition 100 passed in May 2010, resulting in an additional 1% being added to most business classifications. The Temporary Tax is scheduled to expire on May 31, 2013. "Other" revenues are returned to the administering authority.

	February 2011	February 2010	% change
Retained by State	\$ 272,340,889	\$ 256,963,944	6.0%
Returned to Counties	\$ 47,606,258	\$ 44,367,030	7.3%
Returned to Cities	\$ 29,379,325	\$ 27,380,295	7.3%
Education Tax	\$ 40,195,576	\$ 37,797,786	6.3%
Temporary Tax	\$ 66,471,235	N/A	N/A
Other Revenues	\$ 53,079,822	\$ 49,267,983	7.7%
<b>Total Collections</b>	<b>\$ 509,073,105</b>	<b>\$ 415,777,038</b>	<b>22.4%</b>

	Fiscal Year Total (10/11)	Fiscal Year Total (09/10)	% change
Retained by State	\$ 2,296,065,338	\$ 2,268,906,194	1.2%
Returned to Counties	\$ 391,181,567	\$ 383,484,893	2.0%
Returned to Cities	\$ 241,410,496	\$ 236,660,635	2.0%
Education Tax	\$ 339,529,044	\$ 335,399,559	1.2%
Temporary Tax	\$ 543,918,504	N/A	N/A
Other Revenues	\$ 433,922,064	\$ 428,492,398	1.3%
<b>Total Collections</b>	<b>\$ 4,246,027,013</b>	<b>\$ 3,652,943,679</b>	<b>16.2%</b>

### **Transaction Privilege and Severance Tax Returned to Counties**

Taxpayers reported the following taxable transactions and tax collections by county. The share of the revenues returned to each county for February 2011 is shown in the County Share column.

	County Share	% Change	FYTD County Share	% Change
Apache	\$ 334,139	11.5%	\$ 2,677,183	(1.3)%
Coconino	\$ 1,327,670	36.6%	\$ 10,328,946	6.5%
Cochise	\$ 865,921	5.5%	\$ 7,075,251	0.5%
Gila	\$ 351,269	14.0%	\$ 2,866,711	1.1%
Graham	\$ 262,882	(14.5)%	\$ 2,085,332	(7.3)%
Greenlee	\$ 167,588	(40.6)%	\$ 2,395,573	9.0%
La Paz	\$ 173,702	6.2%	\$ 1,097,400	(0.3)%
Maricopa	\$ 30,051,191	6.3%	\$ 247,665,735	1.9%
Mohave	\$ 1,170,253	(7.9)%	\$ 11,373,554	(1.1)%
Navajo	\$ 734,791	8.1%	\$ 6,200,173	3.0%
Pima	\$ 7,161,439	10.0%	\$ 57,393,517	2.4%
Pinal	\$ 1,620,341	18.5%	\$ 12,818,045	2.7%
Santa Cruz	\$ 304,189	7.8%	\$ 2,517,722	2.7%
Yavapai	\$ 1,719,230	9.9%	\$ 14,101,430	2.2%
Yuma	\$ 1,361,655	8.2%	\$ 10,584,993	2.3%
<b>Total</b>	<b>\$ 47,606,258</b>	<b>7.3%</b>	<b>\$ 391,181,567</b>	<b>2.0%</b>

**Transaction Privilege and Severance Tax Collections by Class**

	Tax Rate	February 2011	% Change	Fiscal Year Total	% Change
Transporting	6.6	\$ 143,211	28.6%	\$ 1,281,106	(4.3)%
Non-Metal Mining					
Oil/Gas	3.125	\$ 198,109	(1.3)%	\$ 2,029,567	(5.7)%
Utilities	6.6	\$ 35,902,699	(3.9)%	\$ 340,015,590	(0.1)%
Communications	6.6	\$ 12,155,199	(10.9)%	\$ 101,377,499	11.9%
Private					
Car/Pipelines	6.6	\$ 1,589	(71.8)%	\$ 26,595	(32.9)%
Publishing	6.6	\$ 465,799	(2.1)%	\$ 3,215,364	(5.8)%
Job Printing	6.6	\$ 1,077,821	9.8%	\$ 9,000,865	16.8%
Restaurants & Bars	6.6	\$ 37,202,788	(0.5)%	\$ 291,447,982	2.9%
Amusements	6.6	\$ 4,764,146	5.2%	\$ 29,487,876	(5.5)%
Commercial Lease	0	0	N/A	\$ 40	N/A
Rental of Personal					
Property	6.6	\$ 14,201,008	2.5%	\$ 100,928,685	(2.4)%
Contracting	6.6	\$ 31,386,248	8.5%	\$ 299,739,461	(8.2)%
Retail	6.6	\$ 176,368,493	10.4%	\$ 1,479,777,793	2.3%
Mining Severance	2.5	\$ 3,720,163	24.7%	\$ 24,211,285	29.6%
Timber Severance	0	0	N/A	\$ 734	N/A
Hotel/Motel	6.5	\$ 10,085,089	14.9%	\$ 65,441,096	6.1%
Membership					
Camping	0	0	N/A	\$ 36	(52.3)%
Use Tax	6.6	\$ 20,705,096	11.2%	\$ 172,547,780	0.9%
Rental Occupancy					
Tax	0	\$ (471)	N/A	\$ 1,648	(52.6)%
Jet Fuel		\$ 479,075	15.7%	\$ 3,170,512	16.0%
Jet Fuel Use Tax	.0305/.0105 gal	\$ 194,562	(66.3)%	\$ 191,090	(76.8)%
Telecomm					
Devices	----	\$ 647,411	33.1%	\$ 4,014,029	(4.0)%
911 Telecom.	----	\$ 1,306,864	34.9%	\$ 11,005,595	3.7%
911 Wireline	0.20/month per active service	\$ 2,259	N/A	\$ 3,827	N/A
911 Wireless	0.20/month per active service	0	N/A	\$ 418	N/A
<b>Total</b>		<b>\$ 351,007,160</b>	<b>6.3%</b>	<b>\$ 2,938,916,471</b>	<b>1.1%</b>

The Use/Use Inventory category shown on page six includes jet fuel use tax. These collections include only the individual classes of transaction privilege tax, severance tax and use tax. The total does not include license fees or any other fees collected by the department.

## **Transaction Privilege and Severance Tax Taxable Sales By Class<sup>1</sup>**

	<b>February 2011</b>	<b>% Change</b>	<b>Fiscal Year Total</b>	<b>% Change</b>
Transporting	\$ 2,864,235	28.6%	\$ 25,622,092	(4.4)%
Non-Metal Mining Oil/Gas	\$ 6,339,489	(1.3)%	\$ 64,946,131	(5.7)%
Utilities	\$ 718,053,988	(3.9)%	\$ 6,800,311,805	0.1%
Communications	\$ 243,103,981	(10.9)%	\$ 2,028,477,190	11.9%
Private Car/Pipelines	\$ 31,779	(71.8)%	\$ 531,909	(33.2)%
Publishing	\$ 9,315,977	(2.1)%	\$ 64,307,275	(5.9)%
Job Printing	\$ 21,556,423	9.8%	\$ 180,015,279	16.7%
Restaurants & Bars	\$ 744,043,464	(0.5)%	\$ 5,828,863,429	2.9%
Amusements	\$ 95,282,927	5.2%	\$ 589,757,514	(5.5)%
Commercial Lease	0	N/A	\$ 1,167	N/A
Rental of Personal Property	\$ 284,000,326	2.5%	\$ 2,018,450,092	(2.4)%
Contracting	\$ 627,724,968	8.5%	\$ 5,994,741,870	(8.3)%
Retail	\$ 3,527,201,745	10.4%	\$ 29,593,180,698	2.3%
Mining Severance	\$ 148,806,530	24.7%	\$ 968,451,403	29.6%
Timber Severance	0	N/A	\$ 345	N/A
Hotel/Motel	\$ 183,365,255	14.9%	\$ 1,189,838,094	6.1%
Membership Camping	0	N/A	\$ 728	(57.5)%
Use Tax	\$ 414,888,929	11.4%	\$ 3,465,025,902	(0.9)%
Rental Occupancy Tax	\$ (15,685)	N/A	\$ 54,937	N/A
<b>Total</b>	<b>\$ 7,026,564,328</b>	<b>6.5%</b>	<b>\$ 58,812,577,858</b>	<b>1.3%</b>

Telecommunications Devices, 911 Excise and 911 Wireless Service classifications previously listed in the collections table are not elements of calculated taxable income and therefore, are not included in the above table. Since the jet fuel use tax is a gallonage tax, this too can not be computed as taxable income. Timber Severance includes only sales subject to a repealed rate. The current tax is per board feet upon which taxable income cannot be computed.

## **Transaction Privilege and Severance Tax Returned to Cities/Towns**

The portion of transaction privilege and severance tax returned to each incorporated city or town for February 2011 is shown on Table 3, attached to this report.

## **County Tax Collections**

The county-imposed tax collections received by the Department of Revenue during January and returned to the counties are shown on Table 4, attached to this report. The rental car surcharge in Maricopa County is \$2.50 per car and in Pima County is \$3.50 per car. The RV Surcharge in Pima County is \$0.50/day on each lease or rental of a parking space for recreational vehicles.

<sup>1</sup>These Taxable Sales figures are calculated on a per return basis, by taking collections and dividing them by the appropriate tax rate. These figures may not match other Taxable Sales figures calculated on the aggregate.

## OTHER TAXES

### Luxury Taxes

The following revenues were received from luxury taxes in February 2011. The table compares the receipts to February and also compares fiscal year (FY) totals. Figures may not add to total due to rounding.

	February 2011	February 2010	% Change
Spirituos	\$ 1,194,089	\$ 2,803,655	(57.4)%
Vinous	\$ 694,722	\$ 1,189,589	(41.6)%
Malt	\$ 610,451	\$ 1,536,305	(60.3)%
Cigarette	\$ 20,306,603	\$ 23,150,279	(12.3)%
Other Tobacco	\$ 1,284,260	\$ 1,492,718	(14.0)%
Tobacco Licenses	\$ 275	\$ 325	(15.4)%
<b>Total</b>	<b>\$ 24,090,400</b>	<b>\$ 30,172,871</b>	<b>(20.2)%</b>

	Fiscal Year (10/11)	Fiscal Year (09/10)	% Change
Spirituos	\$ 18,873,983	\$ 18,571,174	1.6%
Vinous	\$ 8,835,851	\$ 8,601,485	2.7%
Malt	\$ 13,269,036	\$ 14,572,632	(8.9)%
Cigarette*	\$ 201,073,484	\$ 206,329,498	(2.5)%
Other Tobacco	\$ 12,157,513	\$ 11,099,928	9.5%
Tobacco Licenses	\$ 3,960	\$ 4,450	(11.0)%
<b>Total</b>	<b>\$ 254,213,827</b>	<b>\$ 259,179,267</b>	<b>(1.9)%</b>

\*Through February 2011, \$662,742 cigarette and tobacco tax collections have been allocated for administrative expenses and are not included in the cigarette collections above.

### General fund revenues from luxury taxes:

	February 2011	Fiscal Year (10/11)
Spirituos	\$ 835,862	\$ 13,211,788
Vinous	\$ 173,680	\$ 2,208,958
Malt	\$ 152,613	\$ 3,317,258
Cigarette	\$ 1,926,468	\$ 16,047,720
Other Tobacco	\$ 57,792	\$ 547,088
Tobacco Licenses	\$ 250	\$ 3,785
<b>Total</b>	<b>\$ 3,146,665</b>	<b>\$ 35,336,597</b>

**Other dedicated revenues from luxury taxes:**

	<b>February 2011</b>	<b>Fiscal Year (10/11)</b>
Corrections Fund	\$ 1,150,228	\$ 17,376,561
Tobacco Tax & Health Care Fund <sup>2</sup>	\$ 2,959,794	\$ 29,924,673
Tobacco Products Tax Fund <sup>3</sup>	\$ 2,667,282	\$ 26,989,760
Drug Treatment & Education Fund	\$ 318,518	\$ 5,300,059
Corrections Rev. Fund	\$ 127,185	\$ 2,113,562
Smoke Free Arizona Fund <sup>4</sup>	\$ 201,031	\$ 2,002,230
Early Childhood Development and Health Fund <sup>5</sup>	\$ 8,567,799	\$ 85,073,781

**Bingo Tax**

	<b>Monthly</b>	<b>FYTD</b>
February 2011	\$ 27,792	\$ 326,752
February 2010	\$ 40,205	\$ 520,655
<b>% change</b>	<b>(30.9)%</b>	<b>(37.2)%</b>

**Estate Tax**

	<b>Monthly</b>	<b>FYTD</b>
February 2011	\$ 0	\$ 437,372
February 2010	\$ 0	\$ 363,755
<b>% change</b>	<b>N/A</b>	<b>20.2%</b>

**Unclaimed Property**

	<b>Monthly</b>	<b>FYTD</b>
February 2011	\$ 9,124,898	\$ 67,148,884
February 2010	\$ (416,856)	\$ 100,034,835
<b>% change</b>	<b>N/A</b>	<b>(32.9)%</b>

Please note that some totals throughout Tax Facts may not add due to rounding.

SOURCE: THE OFFICE OF ECONOMIC RESEARCH & ANALYSIS, ARIZONA DEPARTMENT OF REVENUE

<sup>2</sup> Formerly the Health Care Fund

<sup>3</sup> This Fund was created by Prop. 303, which increased cigarette & other tobacco products tax rates in November 2002.

<sup>4</sup> This Fund was created by Prop. 201, which increased cigarette tax rates in December 2006.

<sup>5</sup> This Fund was created by Prop. 203, which increased cigarette & other tobacco products tax rates in December 2006.

**TABLE 2**  
**Urban Revenue Sharing Returned to Cities/Towns**  
**February 2011**

<b>City</b>	<b>Distribution</b>	<b>Population</b>	<b>City</b>	<b>Distribution</b>	<b>Population</b>
<b><u>Apache County</u></b>			Scottsdale	\$ 1,904,093	234,752
Eagar	\$ 35,973	4,435	Surprise	715,925	88,265
St. Johns	31,349	3,865	Tempe	1,344,785	165,796
Springerville	16,749	2,065	Tolleson	52,706	6,498
<b><u>Cochise County</u></b>			Wickenburg	49,291.05	6,077
Benson	\$ 38,447	4,740	Youngtown	49,989	6,163
Bisbee	53,290	6,570	<b><u>Mohave County</u></b>		
Douglas	139,470	17,195	Bullhead City	\$ 309,924	38,210
Huachuca City	14,843	1,830	Colorado City	33,093	4,080
Sierra Vista	354,373	43,690	Kingman	209,753	25,860
Tombstone	8,706	1,610	Lake Havasu City	433,416	53,435
Willcox	31,512	3,885	<b><u>Navajo County</u></b>		
<b><u>Coconino County</u></b>			Holbrook	\$ 44,003	5,425
Flagstaff	\$ 496,277	61,185	Pinetop-Lakeside	33,783	4,165
Fredonia*	12,167	1,500	Show Low	80,178	9,885
Page	57,670	7,110	Snowflake	40,028	4,935
Tusayan*	12,167	1,500	Taylor	33,255	4,100
Williams	25,509	3,145	Winslow	79,773	9,835
<b><u>Gila County</u></b>			<b><u>Pima County</u></b>		
Globe	\$ 60,793	7,495	Marana	\$ 216,769	26,725
Hayden*	12,167	1,500	Oro Valley	319,577	39,400
Miami	15,857	1,955	Sahuarita	113,474	13,990
Payson	125,154	15,430	South Tucson	45,665	5,630
Star Valley	16,271	2,006	Tucson	4,297,008	529,770
Winkelman*	12,167	1,500	<b><u>Pinal County</u></b>		
<b><u>Graham County</u></b>			Apache Junction	\$ 276,345	34,070
Pima	\$ 16,132	2,182	Casa Grande	263,367	32,470
Safford	75,920	9,360	Coolidge	66,349	8,180
Thatcher	36,905	4,550	Eloy	90,236	11,125
<b><u>Greenlee County</u></b>			Florence	166,521	20,530
Clifton	\$ 21,056	2,596	Kearny	18,242	2,249
Duncan*	12,167	1,500	Mammoth	14,292	1,762
<b><u>La Paz County</u></b>			Maricopa	129,242	15,934
Parker	\$ 26,604	3,280	Superior	26,293	3,254
Quartzsite	29,200	3,600	<b><u>Santa Cruz County</u></b>		
<b><u>Maricopa County</u></b>			Nogales	\$ 177,065	21,830
Avondale	\$ 562,552	69,356	Patagonia*	12,167	1,500
Buckeye	206,070	25,406	<b><u>Yavapai County</u></b>		
Carefree	29,881	3,684	Camp Verde	\$ 87,032	10,730
Cave Creek	38,657	4,766	Chino Valley	99,969	12,325
Chandler	1,872,403	230,845	Clarkdale	29,849	3,680
El Mirage	260,049	32,061	Cottonwood	88,086	10,860
Fountain Hills	198,657	24,492	Dewey-Humboldt	32,688	4,030
Gila Bend	16,060	1,980	Jerome*	12,167	1,500
Gilbert	1,440,074	177,544	Prescott	330,689	40,770
Glendale	1,965,875	242,369	Prescott Valley	272,330	33,575
Goodyear	374,837	46,213	Sedona	88,695	10,935
Guadalupe	45,057	5,555	<b><u>Yuma County</u></b>		
Litchfield Park	36,727	4,528	San Luis	\$ 185,987	22,930
Mesa	3,634,544	448,096	Somerton	79,083	9,750
Paradise Valley	112,444	13,863	Wellton	15,979	1,970
Peoria	1,120,489	138,143	Yuma	724,368	89,306
Phoenix	11,970,612	1,475,834	<b>TOTAL</b>	<b>\$ 39,500,543</b>	<b>4,867,970</b>
Queen Creek	133,135	16,414			

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

**TABLE 3**  
**Transaction Privilege and Severance Tax Returned to Cities/Towns**  
**February 2011**

<b>City</b>	<b>Distribution</b>	<b>Population</b>	<b>City</b>	<b>Distribution</b>	<b>Population</b>
<b><u>Apache County</u></b>			Scottsdale	\$ 1,417,574	234,752
Eagar	\$ 26,781	4,435	Surprise	532,997	88,265
St. Johns	23,339	3,865	Tempe	1,001,176	165,796
Springerville	12,470	2,065	Tolleson	39,239	6,498
<b><u>Cochise County</u></b>			Wickenburg	36,697	6,077
Benson	\$ 28,623	4,740	Youngtown	37,216	6,163
Bisbee	39,674	6,570	<b><u>Mohave County</u></b>		
Douglas	103,834	17,195	Bullhead City	\$ 230,735	38,210
Huachuca City	11,051	1,830	Colorado City	24,638	4,080
Sierra Vista	263,827	43,690	Kingman	156,158	25,860
Tombstone	9,722	1,610	Lake Havasu City	322,673	53,435
Willcox	23,460	3,885	<b><u>Navajo County</u></b>		
<b><u>Coconino County</u></b>			Holbrook	\$ 32,759	5,425
Flagstaff	\$ 369,472	61,185	Pinetop/Lakeside	25,151	4,165
Fredonia	6,703	1,110	Show Low	59,692	9,885
Page	42,934	7,110	Snowflake	29,801	4,935
Tusayan	3,370	558	Taylor	24,758	4,100
Williams	18,991	3,145	Winslow	59,390	9,835
<b><u>Gila County</u></b>			<b><u>Pima County</u></b>		
Globe	\$ 45,259	7,495	Marana	\$ 161,382	26,725
Hayden	5,386	892	Oro Valley	237,921	39,400
Miami	11,805	1,955	Sahuarita	84,480	13,990
Payson	93,176	15,430	South Tucson	33,997	5,630
Star Valley	12,113	2,006	Tucson	3,199,069	529,770
Winkelman	2,675	443	<b><u>Pinal County</u></b>		
<b><u>Graham County</u></b>			Apache Junction	\$ 205,735	34,070
Pima	\$ 13,176	2,182	Casa Grande	196,073	32,470
Safford	56,521	9,360	Coolidge	49,396	8,180
Thatcher	27,476	4,550	Eloy	67,179	11,125
<b><u>Greenlee County</u></b>			Florence	123,972	20,530
Clifton	\$ 15,676	2,596	Kearny	13,581	2,249
Duncan	4,903	812	Mammoth	10,640	1,762
<b><u>La Paz County</u></b>			Maricopa	96,219	15,934
Parker	\$ 19,807	3,280	Superior	19,650	3,254
Quartzsite	21,739	3,600	<b><u>Santa Cruz County</u></b>		
<b><u>Maricopa County</u></b>			Nogales	\$ 131,823	21,830
Avondale	\$ 418,813	69,356	Patagonia	5,556	920
Buckeye	153,417	25,406	<b><u>Yavapai County</u></b>		
Carefree	22,246	3,684	Camp Verde	\$ 64,794	10,730
Cave Creek	28,780	4,766	Chino Valley	74,426	12,325
Chandler	1,393,981	230,845	Clarkdale	22,222	3,680
El Mirage	193,604	32,061	Cottonwood	65,579	10,860
Fountain Hills	147,897	24,492	Dewey-Humboldt	24,336	4,030
Gila Bend	11,956	1,980	Jerome	1,993	330
Gilbert	1,072,117	177,544	Prescott	246,194	40,770
Glendale	1,463,560	242,369	Prescott Valley	202,746	33,575
Goodyear	279,062	46,213	Sedona	66,032	10,935
Guadalupe	33,544	5,555	<b><u>Yuma County</u></b>		
Litchfield Park	27,343	4,528	San Luis	\$ 138,465	22,930
Mesa	2,705,873	448,096	Somerton	58,876	9,750
Paradise Valley	83,713	13,863	Wellton	11,896	1,970
Peoria	834,190	138,143	Yuma	539,283	89,306
Phoenix	8,911,972	1,475,834	<b>TOTAL</b>		
Queen Creek	99,118	16,414	<b>\$ 29,379,325</b>	<b>4,865,254</b>	

**TABLE 4  
County Tax Collections  
February 2011**

	Road	Excise	Jail	Rental Car	Stadium	RV Surcharge	Hospital/ Health Svc	Capital Projects	Sports & Tourism Authority
Apache		\$ 75,753							
Cochise		\$ 501,514							
Coconino		\$ 692,156	\$ 691,807					\$ 172,901	
Gila	\$ 200,085	\$ 193,482							
Graham		\$ 132,271							
Greenlee		\$ 127,718							
La Paz		\$ 123,208	\$ 123,208				\$ 6		
Maricopa	\$ 24,725,444		\$ 8,792,443	\$ 431,294	\$ 9				\$ 2,060,507
Mohave		\$ 410,327							
Navajo		\$ 434,960							
Pima	\$ 5,290,728			\$ 117,234		\$ 25,417			
Pinal	\$ 952,825	\$ 915,262					\$ 182,324		
Santa Cruz		\$ 194,951	\$ 194,781						
Yavapai		\$ 860,537	\$ 430,261						
Yuma		\$ 871,737	\$ 871,786				\$ 173,512	\$ 2,232	