



ARIZONA DEPARTMENT OF REVENUE

MEMORANDUM

DATE: February 9, 2006

FROM: THE OFFICE OF ECONOMIC RESEARCH & ANALYSIS

November 2005 TAX FACTS

SUMMARY OF GENERAL FUND REVENUES

	<u>November 2005</u>	<u>Fiscal Year Total</u>
Individual Income Tax		
Net Collections	\$210,962,172	\$1,141,071,898
Percent Change	12.5%	24.9%
Corporate Income Tax		
Net Collections	\$ 5,855,519	\$ 272,266,924
Percent Change	1.1%	32.5%
Transaction Privilege, Severance & Use Taxes		
Net Collections	\$344,011,412	\$1,704,206,970
Change	15.4%	16.7%
Total Big Three Tax Types		
Net Collections	\$550,829,103	\$3,117,545,792
Percent Change	14.1%	20.9%

January 2004 was the first month that the department used a new computer system to process transaction privilege tax and withholding. Some of the reports necessary to provide Tax Facts information are still under development. Those sections have been pulled from this report. Once the information is available, it will be distributed.

TAX FACTS November 2005

INDIVIDUAL INCOME TAX

Individual Income Tax Receipts

	November 2005	November 2004	% Change
Gross Collections	\$ 16,055,089	\$ 11,359,321	41.3
Withholding	\$ 251,199,672	\$ 222,360,341	13.0
Refunds	\$ (20,856,845)	\$ (15,177,058)	37.4
Urban Revenue Sharing	\$ (35,435,744)	\$ (31,089,382)	14.0
Net Collections	\$ 210,962,172	\$ 187,453,222	12.5

	Fiscal Year Total (05/06)	Fiscal Year Total (04/05)	% Change
Gross Collections	\$ 219,458,222	\$ 149,758,145	46.5
Withholding	\$ 1,176,225,224	\$ 985,588,801	19.3
Refunds	\$ (77,432,828)	\$ (66,607,997)	16.3
Urban Revenue Sharing	\$ (177,178,720)	\$ (155,446,908)	14.0
Net Collections	\$ 1,141,071,898	\$ 913,292,041	24.9

Included in the refund amounts above are refunds relating to the alternative fuel vehicle (AFV) income tax credit. In November 2005, the Department did not issue any individual or corporate income tax refunds alternative fuel-related credits.

Ladewig Refunds

In November 2005, the department issued 515 warrants totaling \$86,716 for Ladewig, a Superior Court tax settlement case. For the fiscal year, 306,589 refunds have been issued for a total of \$42,343,394. Attorney payments are not included in the refund amount and total \$4,853,277 for the fiscal year. Refunds issued as a result of the Ladewig case are not included in the total refunds listed in the "Individual Income Tax Receipts" section above or the "Average Individual Income Tax Refund" section later mentioned in this publication.

Individual Income Tax Document Count

In calendar year 2004, the following individual income tax returns were filed:

	140X	140	140NR	140PY	140NPR	141 & 141AZ	140A	140PTC	140EZ	140ET	OTHER	TOTAL
#	44,106	1,575,957	88,795	102,431	3	44,198	297,353	13,315	197,269	2,625	13	2,368,223
%	1.8	66.5	3.7	4.3	0.0	1.9	12.6	0.6	8.3	0.1	0.0	

In calendar year 2005 the number of returns filed, and processed, are as follows:

	140X	140	140NR	140PY	140NPR	141 & 141AZ	140A	140PTC	140EZ	140ET	OTHER	TOTAL
#	42,625	1,663,626	93,974	115,185	0	43,423	278,196	12,853	188,302	3,152	9	2,442,826
%	1.8	68.1	3.8	4.7	0.0	1.8	11.4	0.5	7.7	0.1	0.0	

The 2,442,826 returns, representing current and prior tax years, filed through November 2005 compares to 2,354,704 returns filed during the same period of time in 2004 for an annual increase of 3.7%. For tax year 2004 filed in 2005, 2,326,684 returns have been filed, a 3.9% increase over filings in November 2004 for tax year 2003.

Year-Over-Year Comparison of Resident Taxpayers

Comparisons of Federal Adjusted Gross Income (FAGI) and tax liability growth between two tax years can be made by using data from taxpayers who have filed for both calendar years and have maintained the same filing status for both years. The Department of Revenue has received 1,629,272 returns in calendar year 2005 for tax year 2004 from filers who also have returns on record from calendar year 2004 with the same marital status. On average, these filers experienced a 10.6% increase in FAGI and a 18.8% increase in tax liability. More specifically, 32.4% of these filers experienced a decrease in tax liability; on average a decrease of 21.2% with a corresponding average decrease in FAGI of 37.7%. Filers with an increase in tax liability totaled 894,331 or 54.9% with an average FAGI increase of 34.4% and an average tax liability increase of 66.7%.

Average Individual Income Tax Refund

Net of Ladewig refunds.

	Average	Number
2005 CYTD	\$ 506.31	1,478,947
2004 CYTD	\$ 509.16	1,495,707
% Change	(0.6)	(1.1)

"New" Filers in Calendar Year 2005

Table 1 attached to this report, presents the number of "new" returns filed in calendar year 2005. "New" returns are for those filers who did not file in the previous calendar year. Therefore, these filers could be new full-year residents of Arizona, or they may be newly required to file an individual income tax return. (The filer may not have earned enough income in the previous year to file, such as a recent graduate just entering the work force.) The table indicates that 257,656 "new" returns have been filed thus far in 2005, representing approximately 313,554 persons, not including dependents. The average Federal Adjusted Gross Income is \$21,870 with an average tax liability of \$384. The right half of this table presents characteristics of the filers represented on the returns. Of all "new" returns, 16.9% had a married filing joint filing status, 7.5% claimed a 65 and Over Exemption and 34.1% claimed dependents.

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 from November 2005 for tax year 2004 was \$401,492,424 million, for an average of \$2,102. An additional \$75.2 million in estimated payments came from 2003 tax returns that applied their refunds as a 2004 estimated payment, for an average of \$1,849. Estimated payments received through November 2005 for tax year 2005 are as follows:

11/05	140ES payment	\$	7,557,295	Cumulative \$	288,871,342
11/04	140ES payment	\$	3,800,068	Cumulative \$	205,084,084
	% change		98.9		40.9
11/05	Average payment	\$	4,674	Cumulative \$	1,879
11/04	Average payment	\$	2,169	Cumulative \$	1,502
	% change		115.5		25.1
11/05	Applied refund	\$	24,826,725	Cumulative \$	75,191,375
11/04	Applied refund	\$	14,174,277	Cumulative \$	57,388,116
	% change		75.2		31.0
Total 11/05		\$	32,384,020	Cumulative \$	364,062,717
Total 11/04		\$	17,974,345	Cumulative \$	262,472,200
	% change		80.2		38.7

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 2004 through March 2005, \$592,987,493 was received for the first quarter of 2004. The latest complete quarter (15 months of information has been compiled) is the third quarter of 2004, which shows an increase of 6.8% in withholding payments over the third quarter of 2003. Growth in quarters for which information is still being gathered is as follows:

4 th Quarter 2004	10.8%	2 nd Quarter 2005	7.1%
1 st Quarter 2005	11.0%	3 rd Quarter 2005	28.8%
		4 th Quarter 2005	18.9%

As of January 1, 2005, the current choices for withholding are 0%, 10%, 19%, 23%, 25%, 31% or 37% as the percent of federal taxes to be withheld for state taxes. The 0% option is only available to those individuals who had no liability in the prior tax year and expect no tax liability for the current year.

Property Tax Credits

Arizona allows a refundable property tax credit for those who are age 65 or older or who received Title 16, SSI payments and pay property tax on a home. To qualify for this credit, household income must be below \$3,751 for individuals that live alone, or \$5,501 for those that live with others. The maximum credit is \$502.

	Number	Amount	Average
Calendar Year 2005	14,775	\$5,232,730	\$354
Calendar Year 2004	15,031	\$5,297,421	\$352
% Change	(1.7)	(1.2)	0.49

Clean Elections

As a result of the November 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 tax year 2004:

	November 2005	Calendar Year Total
Check Off	\$65,243	\$4,703,889
Voluntary Donation	\$1,087	\$52,454
Number of Returns	8,206	646,784

Contributions on the Individual Income Tax Return

Through November 2005, individual income tax return filers have made the following contributions:

	Number	Amount	Average
Wildlife	9,597 \$	172,657	\$ 17.99
Child Abuse	10,590 \$	196,719	\$ 18.58
Special Olympics	5,057 \$	83,444	\$ 16.50
Neighbors Helping	3,006 \$	40,494	\$ 13.47
AID to Education	733 \$	34,421	\$ 46.96
Domestic Violence Shelter	7,791 \$	144,906	\$ 18.60
Democratic Party	1018 \$	23,107	\$ 22.70
Republican Party	693 \$	18,254	\$ 26.34
Libertarian Party	84 \$	2,339	\$ 27.85

CORPORATE INCOME TAX

Corporate Income Tax Receipts

	Nov 2005	Nov 2004	% Change
Gross Collections	\$17,504,745	\$17,598,692	(0.5)
Refunds	(\$11,649,226)	(\$11,805,464)	(1.3)
Net Collections	\$5,855,519	\$5,793,228	1.1
	Fiscal Year Total	Prior Fiscal Year Total	% Change
Gross Collections	\$299,712,808	\$236,604,882	26.7
Refunds	(\$27,445,885)	(\$31,096,959)	(11.7)
Net Collections	\$272,266,924	\$205,507,923	32.5

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.

Nov 2005	\$12,956,889	Calendar Year Total	\$540,837,573
Nov 2004	\$9,855,041	Calendar Year Total	\$403,962,333
% Change	31.5%	% Change	33.9%

All corporations with an income tax liability of \$20,000 or greater are required to make their estimated tax payments through electronic funds transfer (eft). The table below shows the number of these eft estimated payments, by size of payment, for November 2005 and for the calendar year.

Size of Payment ➔	Less than \$50,000	\$50,000 up to \$100,000	\$100,000 up to \$500,000	\$500,000 up to \$1,000,000	\$1,000,000 up to \$10,000,000	\$10,000,00 0 and more	Total	% chg
Nov 2005	66	15	10	5	0	0	96	18.5
Nov 2004	58	9	13	0	1	0	81	
CY 2005	2,569	412	496	91	76	1	3,645	14.8
CY 2004	2,345	330	386	53	59	1	3,174	

NEW INFORMATION

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	\$100,000 up to \$500,000	\$500,000 up to \$1,000,000	\$1,000,000 and more	Total	% chg
Nov 2005	\$886,975	\$1,132,023	\$1,982,250	\$3,054,156	\$0	\$7,055,404	50.5%
Nov 2004	\$779,609	\$577,972	\$2,235,486	\$0	\$1,095,906	\$4,688,973	

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 03/04 by corporate fiscal year. For example, in FY 04/05, 19.2% of the refund dollars paid were for corporate fiscal years ending in 2000 or before. The percentages are for refunds paid through the fiscal year.

Corporate Fiscal Year-End:	00 & Prior	01	02	03	04	05
FY 04/05	19.2%	4.5%	3.8%	48.9%	23.4%	0.4%
Corporate Fiscal Year-End:	01 & Prior	02	03	04	05	06
FY 05/06	21.7%	5.5%	4.2%	62.9%	5.8%	0.0%

Corporate Refunds

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

Nov 2005	\$56,543,490	Calendar Year Total	\$115,010,029
Nov 2004	<u>\$57,505,716</u>	Calendar Year Total	<u>\$141,061,251</u>
% Change	(1.7%)	% Change	(18.5%)

Corporate Income Tax Document Count

The Arizona Department of Revenue received 108,944 corporate returns showing a fiscal year-end of 2003. The type of return received is indicated below:

	120 X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)	120 A (short form)
#	310	34,904	61,775	391	11,564
%	0.3	32.0	56.7	0.4	10.6

Through November, 2005, 110,433 documents were received for a fiscal year-end of 2004, distributed as follows:

	120 X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)	120 A (short form)
#	237	34,869	63,366	320	11,641
%	0.2	31.6	57.4	0.3	10.5

The figures for the 2004 returns are most meaningful when compared to 2003 returns received during the same period of time in the previous year. Through November 2004, the Department of Revenue received 103,044 documents with a fiscal year-end of 2003. Compared to 2004 documents, the Department has seen a 7.2% **increase** in the number of corporate returns received 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 2005/06 is 15.0% of net proceeds from Fiscal Year 2003/04 income tax. Amounts returned for November 2005 are shown on Table 2, 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.

Transaction Privilege, Severance and Use Tax Receipts (continued)

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. The "Other Revenue" category includes county excise, road, jail and hospital taxes and various other excise taxes, such as the 911 excise tax.

	November 2005	November 2004	% change
Distribution Base	\$135,682,469	\$118,247,650	14.7
Non shared	261,863,938	227,407,480	15.2
Use Tax	25,350,591	21,355,148	18.7
Education Tax	49,053,251	42,608,212	15.1
Other Revenues	57,460,960	50,334,908	14.2
Total Collections	\$529,411,209	\$459,953,397	15.1

	Fiscal Year Total (05/06)	Fiscal Year Total (04/05)	% change
Distribution Base	\$684,102,742	587,617,648	16.4
Non shared	1,338,300,730	1,147,995,835	16.6
Use Tax	129,959,205	109,296,914	18.9
Education Tax	252,629,419	215,703,511	17.1
Other Revenues	287,731,592	247,230,270	16.4
Total Collections	\$2,692,723,687	2,307,844,178	16.7

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 below 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. "Other" revenues are returned to the administering authority.

	November 2005	November 2004	% change
Retained by State	\$334,011,412	\$289,546,242	15.4
Returned to Counties	54,964,968	47,902,123	14.7
Returned to Cities	33,920,617	29,561,913	14.7
Education Tax	49,053,251	42,608,212	15.1
Other Revenues	57,460,960	50,334,908	14.2
Total Collections	\$529,411,209	\$459,953,397	15.1

	Fiscal Year Total (05/06)	Fiscal Year Total (04/05)	% change
Retained by State	\$1,704,206,970	\$1,459,962,077	16.7
Returned to Counties	277,130,021	238,043,909	16.4
Returned to Cities	171,025,685	146,904,412	16.4
Education Tax	252,629,419	215,703,511	17.1
Other Revenues	287,731,592	247,230,270	16.4
Total Collections	\$2,692,723,687	\$2,307,844,178	16.7

Transaction Privilege and Severance Tax Collections By Class

	Tax Rate	November 2005	% Chg	Fiscal Year Total	% Chg
Transporting	5.6	227,859	(1.9%)	1,297,213	3.6%
Non-Metal Mining Oil/Gas	3.125%	974,108	13.4%	4,925,358	23.8%
Utilities	5.6%	34,047,503	17.1%	186,153,059	11.5%
Communications	5.6%	13,569,633	9.7%	65,085,938	6.1%
Private Car/Pipelines	5.6%	58,598	16.1%	859,707	179.7%
Publishing	5.6%	479,446	-7.0%	3,094,927	9.3%
Job Printing	5.6%	1,631,435	5.7%	8,009,067	8.3%
Restaurants & Bars	5.6%	36,204,943	12.2%	170,719,750	13.4%
Amusements	5.6%	3,552,914	27.9%	16,560,953	11.9%
Commercial Lease	0%	(322)	N/A	(3,662)	N/A
Rental of Personal Property	5.6%	15,437,013	12.3%	71,526,428	7.0%
Contracting	3.75% - 5.6%	75,935,533	20.4%	399,301,335	24.7%
Feed Wholesale	Repealed	0	0	0	0
Retail	5.6%	203,378,607	14.0%	1,040,672,822	16.3%
Mining Severance	2.5%	2,108,243	60.3%	10,370,129	82.5%
Timber Severance	\$2.13/\$1.51 per 1000 board ft	1,030	37.0%	7,193	82.5%
Hotel/Motel	5.5%	10,041,631	10.1%	40,871,503	12.9%
Membership Camping	5.6%	6,583	(19.3%)	33,242	2.8%
Use Tax	5.6%	25,350,591	18.7%	129,959,205	18.9%
Rental Occupancy Tax	3.0%	16,423	1541.6%	59,854	N/A
Jet Fuel		344,324	10.6%	2,395,451	27.2%
Jet Fuel Use Tax	\$.0305/\$.0105 gal	10,631		122,948	(17.7%)
Telecommunications Devices	1.1			0	0
Telecomm	----	304,077	(21.2%)	1,423,334	(20.6%)
School for the Deaf and Blind		71,547	(45.2%)	423,210	(30.0%)
Poison Control	----	111,793	9.4%	434,975	(8.0%)
Teratogen Funding		4,472	(21.2%)	20,932	0.7%
911 Wireline	\$0.37/month per active service	1,144,710	(7.3%)	5,757,766	(0.2%)
911 Wireless	\$0.37/month per active service	1,317,779	20.1%	4,874,362	(8.2%)
Total		426,331,104	15.2%	2,164,956,999	16.5%

The Use/Use Inventory category shown on the previous page 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 Class¹

	November 2005	% Chg	Fiscal Year Total	% Chg
Transporting	\$4,599,239	(0.9%)	\$26,024,032	3.8%
Non-Metal Mining Oil/Gas	31,410,453	14.2%	158,056,898	24.1%
Utilities	687,685,264	18.3%	3,734,135,566	11.8%
Communications	273,566,092	10.6%	1,305,764,890	6.3%
Private Car/Pipelines	1,195,635	18.5%	17,240,878	180.3%
Publishing	9,683,696	(6.1%)	62,094,038	9.5%
Job Printing	32,880,293	6.5%	160,664,555	8.5%
Restaurants & Bars	729,655,314	13.0%	3,425,052,297	13.7%
Amusements	71,561,991	28.8%	332,296,406	12.2%
Commercial Lease	(10,731)	N/A	(122,460)	N/A
Rental of Personal Property	311,101,462	13.2%	1,435,016,336	7.3%
Contracting	1,538,517,700	21.4%	8,054,011,796	25.0%

¹These 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.

Transaction Privilege and Severance Tax Taxable Sales By Class¹ continued

	November 2005	% Chg	Fiscal Year Total	% Chg
Feed Wholesale	0	0	0	0
Retail	4,103,023,360	15.0%	20,880,955,540	16.5%
Mining Severance	84,976,318	61.5%	416,007,478	82.9%
Timber Severance	487	37.8%	3,414	75.2%
Hotel/Motel	183,780,286	10.8%	745,601,161	13.2%
Membership Camping	132,306	(18.9%)	666,711	2.9%
Use Tax	513,016,837	18.9%	2,613,552,004	19.2%
Rental Occupancy Tax	550,021	1,549.3%	2,000,245	N/A
Total	\$8,577,326,021	16.5%	\$43,369,021,786	17.1%

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.

Accounting Credit

A credit equal to one percent of the amount of tax due, up to \$10,000 per calendar year, is allowed to businesses for expenses incurred during the accounting and reporting of Transaction Privilege Tax. Due to our new processing system, the report needed to provide this data is not available.

Taxable Sales by SIC Code Range

The taxable sales by SIC (Standard Industrial Classification) code range is undergoing a conversion to NAICS codes. The information since January 2004 is not yet available. Once it is available, it will be sent under separate cover.

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 November 2005 is shown in the County Share column.

	County Share	% of Total	FYTD County Share	% Change
Apache	410,262	0.7%	2,113,001	16.9%
Cochise	975,902	1.8%	5,870,537	37.5%
Coconino	1,368,077	2.5%	6,188,572	(4.6%)
Gila	414,357	0.8%	2,177,136	17.5%
Graham	252,266	0.5%	1,263,468	17.6%
Greenlee	269,033	0.5%	1,303,026	28.3%
La Paz	168,189	0.3%	809,721	18.9%
Maricopa	35,364,676	64.3%	177,611,328	16.3%
Mohave	1,557,731	2.8%	8,117,032	19.5%
Navajo	848,934	1.5%	4,430,830	14.5%
Pima	7,929,887	14.4%	40,321,367	14.6%
Pinal	1,613,531	2.9%	8,082,477	25.9%
Santa Cruz	350,240	0.6%	1,773,914	17.1%
Yavapai	2,016,238	3.7%	10,066,754	20.3%
Yuma	1,425,647	2.6%	7,000,857	15.8%
Total	54,964,968		277,130,021	16.4%

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 November 2005 is shown on Table 3, attached to this report.

County Tax Collections

The following county-imposed tax collections were received by the Department of Revenue during November 2005 and returned to the counties. 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.

	Road Tax	Excise Tax	Jail Tax	Rental Car Surcharge	Stadium Tax	RV Surcharge	Hospital Tax/Health Svcs Dist	Capitol Projects	Tourism Authority
Apache		93,680							
Cochise		588,223							
Coconino		926,446	555,487					237,326	
Gila	228,736	225,331							
Graham		118,490							
Greenlee		84,600							
La Paz		98,527	98,527				48		
Maricopa	28,846,424		10,753,608	558,978	(63)				1,743,630
Mohave		617,414							
Navajo		528,693							
Pima				127,780		18,060			
Pinal	1,329,936	1,317,743							
S Cruz		232,663							
Yavapai		1,362,564	681,079						
Yuma		912,565	912,567				188,588	913,972	

OTHER TAXES

Luxury Taxes

The following revenues were received from luxury taxes in November 2005. The table compares the receipts to November 2004 and also compares fiscal year (FY) totals. Figures may not add to total due to rounding.

	November 2005		November 2004		% Change
Spirituos	\$	2,397,096	\$	2,255,093	6.3
Vinous	\$	1,213,937	\$	1,108,614	9.5
Malt	\$	2,239,139	\$	1,766,648	26.7
Cigarette	\$	23,085,543	\$	24,039,023	(4.0)
Other Tobacco	\$	747,019	\$	813,642	(8.2)
Tobacco Licenses	\$	425	\$	200	112.5
Total	\$	29,683,159	\$	29,983,220	(1.0)

	Fiscal Year (05/06)		Fiscal Year (04/05)		% Change
Spirituos	\$	9,839,442	\$	9,336,777	5.4
Vinous	\$	4,433,676	\$	3,953,520	12.1
Malt	\$	9,911,873	\$	9,670,218	2.5
Cigarette*	\$	117,848,521	\$	114,502,014	2.9
Other Tobacco	\$	3,841,736	\$	3,407,480	12.7
Tobacco Licenses	\$	2,400	\$	1,625	47.7
Total	\$	145,877,648	\$	140,871,633	3.6

*Through November 2005, \$456,700 of cigarette and tobacco tax collections has been allocated for administrative expenses and is not included in the cigarette collections above.

General Fund revenues from luxury taxes:

	<u>November</u>	<u>FY05/06</u>
Spirituous	\$ 1,677,967	\$ 6,887,609
Vinous	\$ 302,788	\$ 1,104,920
Malt	\$ 559,785	\$ 2,477,968
Cigarette	\$ 3,105,491	\$ 15,795,135
Other Tobacco	\$ 115,796	\$ 595,482
Tobacco Licenses	\$ 425	\$ 2,400
Total	\$ 5,762,252	\$ 26,863,514

Other dedicated revenues from luxury taxes:

	<u>November</u>	<u>FY05/06</u>
Correction Fund revenues	\$ 2,708,547	\$ 11,703,538
Tobacco Tax & Health Care Fund ²	\$ 8,090,733	\$ 41,294,551
Tobacco Products Tax Fund ³	\$ 12,011,660	\$ 61,430,319
Wine Promotional Fund revenues	\$ 2,785	\$ 13,994
Drug Treatment & Education Fund revenues	\$ 788,849	\$ 3,539,879
Corrections Revolving Fund revenues	\$ 313,433	\$ 1,298,392

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Estate Tax

November-05	\$ 302,444	Fiscal Year to Date	\$ 9,331,256
November-04	\$ 3,262,715	Fiscal Year to Date	\$ 18,283,363
% change	<u>(90.7)</u>	% Change	<u>(49.0)</u>

Bingo

November-05	\$ 41,845	Fiscal Year to Date	\$ 250,507
November-04	\$ 41,284	Fiscal Year to Date	\$ 247,583
% change	<u>1.4</u>	% Change	<u>1.2</u>

Unclaimed Property

November-05	\$ 25,072,115	Fiscal Year to Date	\$ 38,910,790
November-04	\$ 23,522,938	Fiscal Year to Date	\$ 31,427,276
% change	<u>6.6</u>	% Change	<u>23.8</u>

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

² Formerly the Health Care Fund

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

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

TABLE 1
“New” Returns Filed in 2005 for Tax Year 2004
Through November 2005

Federal Adjusted Gross Income Bracket	Number of Returns	% of Total	Average FAGI	Average Tax Due	CHARACTERISTICS OF TAXPAYERS					
					% Married Joint	% Single	% Unmarried Head	% Married Separate	% Over 65	% With Dependents
Negative FAGI	3,053	1.2%	-\$20,939	\$4	18.7%	73.2%	5.1%	3.0%	13.0%	13.4%
\$0-\$5,000	52,007	20.2%	\$2,729	\$0	4.4%	84.4%	10.4%	0.9%	4.4%	15.9%
\$5,000-\$10,000	52,730	20.5%	\$7,382	\$25	6.7%	74.6%	17.5%	1.2%	5.7%	25.4%
\$10,000-\$15,000	37,011	14.4%	\$12,372	\$93	12.9%	58.7%	26.6%	1.7%	8.1%	38.0%
\$15,000-\$20,000	27,237	10.6%	\$17,366	\$168	20.1%	48.8%	28.8%	2.2%	8.3%	43.7%
\$20,000-\$25,000	19,032	7.4%	\$22,395	\$273	24.7%	44.0%	28.4%	2.9%	7.6%	46.7%
\$25,000-\$30,000	13,681	5.3%	\$27,391	\$392	27.7%	42.3%	26.4%	3.6%	7.5%	46.5%
\$30,000-\$40,000	17,948	7.0%	\$34,518	\$555	35.1%	38.2%	22.7%	4.0%	8.1%	45.9%
\$40,000-\$50,000	10,633	4.1%	\$44,571	\$786	45.9%	32.7%	17.7%	3.7%	10.0%	47.2%
\$50,000-\$75,000	13,679	5.3%	\$60,569	\$1,156	62.4%	25.3%	11.5%	0.8%	12.8%	47.8%
\$75,000-\$100,000	5,428	2.1%	\$85,704	\$1,823	69.0%	18.0%	6.8%	6.2%	14.5%	43.8%
\$100,000-\$200,000	4,098	1.6%	\$129,829	\$3,266	74.4%	19.2%	5.9%	0.5%	16.4%	45.1%
\$200,000-\$500,000	910	0.4%	\$286,194	\$9,401	63.5%	21.1%	6.8%	8.6%	17.9%	38.4%
\$500,000-\$1,000,000	131	0.1%	\$661,574	\$32,647	64.1%	24.4%	7.6%	3.8%	23.7%	38.9%
\$1,000,000 and over	78	0.0%	\$2,171,287	\$113,111	62.0%	30.4%	3.8%	3.8%	20.3%	31.6%
Total	257,656		\$21,870	\$384	16.9%	48.4%	16.0%	1.7%	7.5%	34.1%

*An asterisked line indicates that the information cannot be released due to confidentiality laws.

NEW RETURNS FILED IN 2004 FOR TAX YEAR 2003

Total	239,280		\$20,074	\$334	16.5%	49.4%	15.8%	1.7%	7.5%	32.9%
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“NEW” Returns means that there was no return filed by the taxpayer in the previous filing year. This may or may not mean the filer is new to the state.

TABLE 2
Urban Revenue Sharing Returned to Cities/Towns
November 2005

City	Distribution	Population	City	Distribution	Population
<u>Apache County</u>			Surprise	\$269,135	30,848
Eagar	\$23,469	4,033	Tempe	\$1,383,930	158,625
Springerville	\$30,955	3,548	Tolleson	\$43,396	4,974
St. Johns	\$17,205	1,972	Wickenburg	\$44,338	5,082
<u>Cochise County</u>			Youngtown	\$26,261	3,010
Benson	\$41,101	4,711	<u>Mohave County</u>		
Bisbee	\$53,132	6,090	Bullhead City	\$294,619	33,769
Douglas	\$144,156	16,523	Colorado City	\$29,088	3,334
Huachuca City	\$15,277	1,751	Kingman	\$175,093	20,069
Sierra Vista	\$329,569	37,775	Lake Havasu City	\$365,890	41,938
Tombstone	\$13,122	1,504	<u>Navajo County</u>		
Willcox	\$32,569	3,733	Holbrook	\$42,899	4,917
<u>Coconino County</u>			Pinetop-Lakeside	\$31,251	3,582
Flagstaff	\$461,476	52,894	Show Low	\$67,135	7,695
Fredonia	\$9,039	1,036	Snowflake	\$38,911	4,460
Page	\$59,405	6,809	Taylor	\$27,709	3,176
Williams	\$24,795	2,842	Winslow	\$83,058	9,520
<u>Gila County</u>			<u>Pima County</u>		
Globe	\$65,312	7,486	Marana	\$118,270	13,556
Hayden	\$7,782	892	Oro Valley	\$278,609	31,934
Miami	\$16,891	1,936	Sahuarita	\$28,285	3,242
Payson	\$118,828	13,620	South Tucson	\$47,898	5,490
Winkelman	\$3,865	443	Tucson	\$4,246,224	486,699
<u>Graham County</u>			<u>Pinal County</u>		
Pima	\$17,353	1,989	Apache Junction	\$277,562	31,814
Safford	\$80,545	9,232	Casa Grande	\$220,068	25,224
Thatcher	\$35,090	4,022	Coolidge	\$67,929	7,786
<u>Greenlee County</u>			Eloy	\$90,517	10,375
Clifton	\$22,649	2,596	Florence	\$150,132	17,208
Duncan	\$7,084	812	Kearny	\$19,621	2,249
<u>La Paz County</u>			Mammoth	\$15,373	1,762
Parker	\$27,395	3,140	Maricopa	\$43,605	4,998
Quartzsite	\$29,262	3,354	Superior	\$28,390	3,254
<u>Maricopa County</u>			<u>Santa Cruz County</u>		
Avondale	\$313,063	35,883	Nogales	\$182,151	20,878
Buckeye	\$74,132	8,497	Patagonia	\$7,686	881
Carefree	\$25,537	2,927	<u>Yavapai County</u>		
Cave Creek	\$32,525	3,728	Camp Verde	\$82,456	9,451
Chandler	\$1,543,711	176,939	Chino Valley	\$71,253	8,167
El Mirage	\$66,385	7,609	Clarkdale	\$29,855	3,422
Fountain Hills	\$176,541	20,235	Cottonwood	\$80,083	9,179
Gila Bend	\$17,275	1,980	Dewey-Humboldt	\$29,908	3,428
Gilbert	\$957,056	109,697	Jerome	\$2,870	329
Glendale	\$1,909,034	218,812	Prescott	\$296,093	33,938
Goodyear	\$164,990	18,911	Prescott Valley	\$205,332	23,535
Guadalupe	\$45,612	5,228	Sedona	\$88,920	10,192
Litchfield Park	\$33,240	3,810	<u>Yuma County</u>		
Mesa	\$3,470,412	397,776	San Luis	\$133,677	15,322
Paradise Valley	\$119,212	13,664	Somerton	\$63,392	7,266
Peoria	\$945,426	108,364	Wellton	\$15,957	1,829
Phoenix	\$11,525,508	1,321,045	Yuma	\$677,766	77,685
Queen Creek	\$37,655	4,316	TOTAL		
Scottsdale	\$1,768,508	202,705	\$35,435,744 4,062,961		

TABLE 3
Transaction Privilege and Severance Tax Returned to Cities/Towns
November 2005

City	Distribution	Population	City	Distribution	Population
<u>Apache County</u>			Surprise	\$257,542	30,848
Eagar	\$33,670	4,033	Tempe	\$1,324,319	158,625
Springerville	\$16,464	1,972	Tolleson	\$41,527	4,974
St. Johns	\$29,621	3,548	Wickenburg	\$42,428	5,082
<u>Cochise County</u>			Youngtown	\$25,130	3,010
Benson	\$39,331	4,711	<u>Mohave County</u>		
Bisbee	\$50,844	6,090	Bullhead City	\$281,929	33,769
Douglas	\$137,946	16,523	Colorado City	\$27,835	3,334
Huachuca City	\$14,619	1,751	Kingman	\$167,551	20,069
Sierra Vista	\$315,374	37,775	Lake Havasu City	\$350,130	41,938
Tombstone	\$12,557	1,504	<u>Navajo County</u>		
Willcox	\$31,166	3,733	Holbrook	\$41,051	4,917
<u>Coconino County</u>			Pinetop/Lakeside	\$29,905	3,582
Flagstaff	\$441,598	52,894	Show Low	\$64,244	7,695
Fredonia	\$8,649	1,036	Snowflake	\$37,235	4,460
Page	\$56,847	6,809	Taylor	\$26,516	3,176
Williams	\$23,727	2,842	Winslow	\$79,480	9,520
<u>Gila County</u>			<u>Pima County</u>		
Globe	\$62,499	7,486	Marana	\$113,176	13,556
Hayden	\$7,447	892	Oro Valley	\$266,609	31,934
Miami	\$16,163	1,936	Sahuarita	\$27,067	3,242
Payson	\$113,710	13,620	South Tucson	\$45,835	5,490
Winkelman	\$3,699	443	Tucson	\$4,063,325	486,699
<u>Graham County</u>			<u>Pinal County</u>		
Pima	\$16,606	1,989	Apache Junction	\$265,607	31,814
Safford	\$77,076	9,232	Casa Grande	\$210,589	25,224
Thatcher	\$33,579	4,022	Coolidge	\$65,003	7,786
<u>Greenlee County</u>			Eloy	\$86,618	10,375
Clifton	\$21,673	2,596	Florence	\$143,665	17,208
Duncan	\$6,779	812	Kearny	\$18,776	2,249
<u>La Paz County</u>			Mammoth	\$14,710	1,762
Parker	\$26,215	3,140	Maricopa	\$41,727	4,998
Quartzsite	\$28,002	3,354	Superior	\$27,167	3,254
<u>Maricopa County</u>			<u>Santa Cruz County</u>		
Avondale	\$299,578	35,883	Nogales	\$174,305	20,878
Buckeye	\$70,939	8,497	Patagonia	\$7,355	881
Carefree	\$24,437	2,927	<u>Yavapai County</u>		
Cave Creek	\$31,124	3,728	Camp Verde	\$78,904	9,451
Chandler	\$1,477,218	176,939	Chino Valley	\$68,184	8,167
El Mirage	\$63,526	7,609	Clarkdale	\$28,569	3,422
Fountain Hills	\$168,937	20,235	Cottonwood	\$76,633	9,179
Gila Bend	\$16,531	1,980	Dewey-Humboldt	\$28,620	3,428
Gilbert	\$915,832	109,697	Jerome	\$2,747	329
Glendale	\$1,826,805	218,812	Prescott	\$283,340	33,938
Goodyear	\$157,883	18,911	Prescott Valley	\$196,488	23,535
Guadalupe	\$43,647	5,228	Sedona	\$85,090	10,192
Litchfield Park	\$31,809	3,810	<u>Yuma County</u>		
Mesa	\$3,320,930	397,776	San Luis	\$127,919	15,322
Paradise Valley	\$114,077	13,664	Somerton	\$60,662	7,266
Peoria	\$904,703	108,364	Wellton	\$15,270	1,829
Phoenix	\$11,029,065	1,321,045	Yuma	\$648,572	77,685
Queen Creek	\$36,033	4,316	TOTAL		
Scottsdale	\$1,692,332	202,705	\$33,920,617 4,062,961		