



ARIZONA DEPARTMENT OF REVENUE

MEMORANDUM

DATE: January 11, 2008

FROM: THE OFFICE OF ECONOMIC RESEARCH & ANALYSIS

November 2007 TAX FACTS

SUMMARY OF GENERAL FUND REVENUES

	<u>November 2007</u>	<u>Fiscal Year Total</u>
Individual Income Tax		
Net Collections	\$ 178,415,083	\$1,123,658,511
Percent Change	(12.4%)	(6.1%)
Corporate Income Tax		
Net Collections	(\$ 2,643,214)	\$ 293,978,608
Percent Change	(151.2%)	(8.5%)
Transaction Privilege, Severance & Use Taxes		
Net Collections	\$ 366,084,157	\$1,866,275,904
Change	(0.2%)	0.0%
Total Big Three Tax Types		
Net Collections	\$ 541,856,026	\$3,283,913,023
Percent Change	(5.6%)	(3.0%)

TAX FACTS

November 2007

INDIVIDUAL INCOME TAX

Individual Income Tax Receipts

	November 2007	November 2006	% Change
Gross Collections	\$ 17,879,843	\$ 31,853,112	(43.9)
Withholding	\$ 267,182,947	\$ 260,318,964	2.6
Refunds	\$ (49,602,796)	\$ (42,645,122)	16.3
Urban Revenue Sharing	\$ (57,044,911)	\$ (45,935,888)	24.2
Net Collections	\$ 178,415,083	\$ 203,591,066	(12.4)

	Fiscal Year Total (07/08)	Fiscal Year Total (06/07)	% Change
Gross Collections	\$ 280,551,093	\$ 296,286,865	(5.3)
Withholding	\$ 1,334,573,349	\$ 1,254,216,159	6.4
Refunds	\$ (206,241,379)	\$ (123,896,635)	66.5
Urban Revenue Sharing	\$ (285,224,553)	\$ (229,679,442)	24.2
Net Collections	\$ 1,123,658,511	\$ 1,196,926,947	(6.1)

Included in the refund amounts above are refunds relating to the alternative fuel vehicle (AFV) income tax credit. In November 2007, the department did not issue any individual or corporate income tax refunds for alternative fuel-related credits.

Federal Employee Retirement Contribution Project (FERC)

Kerr vs. ADOR or FERC, a Supreme Court tax settlement case has resulted in the distribution of three refunds to individual income taxpayers during November 2007. These refunds totaled \$4,469* for an average refund of \$1,490. Attorney payments are not included in the refund amount and total \$1,117 for the month. Refunds issued as a result of the FERC case are not included in the total refunds listed in neither the "Individual Income Tax Receipts" section above nor the "Average Individual Income Tax Refund" section later mentioned in this publication.

*The amount shown as refunded may differ from AFIS totals due to timing issues.

Individual Income Tax Document Count

In calendar year 2006, the following individual income tax returns were filed:

	140X	140	140NR	140PY	140NPR	141 & 141AZ	140A	140PTC	140EZ	140ET	OTHER	TOTAL
#	50,299	1,666,899	120,181	130,505	0	46,956	396,130	12,156	177,185	3,480	14	2,603,805
%	1.9%	64.0%	4.6%	5.0%	0.0%	1.8%	15.2%	0.5%	6.8%	0.1%	0.0%	100%

In calendar year 2007 the number of returns filed, and processed, are as follows:

	140X	140	140NR	140PY	140NPR	141 & 141AZ	140A	140PTC	140EZ	140ET	OTHER	TOTAL
#	49,684	1,769,289	127,528	129,475	0	47,180	397,842	11,246	189,402	3,515	3	2,725,164
%	1.8%	64.9%	4.7%	4.8%	0.0%	1.7%	14.6%	0.4%	7.0%	0.1%	0.0%	100%

The 2,725,164 returns representing current and prior tax years, filed through November 2007 compares to 2,592,118 returns filed during the same period of time in 2006 for an annual increase of 5.1%. For the tax year 2006 filed in 2007, 2,587,526 returns have been filed, a 4.9% increase over filings through November 2006 for tax year 2005.

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 1,765,163 returns in calendar year 2007 for tax year 2006 from filers who also have returns on record from calendar year 2006 with the same marital status. On average, these filers experienced a 6.7% increase in FAGI and a 2.4% increase in tax liability. More specifically, 38.9% of these filers experienced a decrease in tax liability; on average a decrease of 22.9% in FAGI with a corresponding average decrease in tax liability of 44.4%. Filers with an increase in tax liability totaled 878,614 or 49.8%, with an average FAGI increase of 40.8% and an average tax liability increase of 71.2%.

Average Individual Income Tax Refund

Net of Ladewig and FERC refunds.

	Average	Number
2007 CYTD	\$ 667.67	1,749,885
2006 CYTD	\$ 594.92	1,600,458
% Change	12.2%	9.3%

"New" Filers in Calendar Year 2007

Table 1 attached to this report, presents the number of "new" returns filed in calendar year 2007. "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 298,812 "new" returns have been filed thus far in 2007, representing approximately 361,171 persons, not including dependents. The average Federal Adjusted Gross Income is \$23,969 with an average tax liability of \$411. The right half of this table presents characteristics of the filers represented on the returns. Of all "new" returns, 16.3% had a married filing joint filing status, 7.1% claimed a 65 and Over Exemption and 35.0% 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 for tax year 2006 received through November 2007 were \$706.2 million, for an average of \$3005. An additional \$137.2 million in estimated payments came from 2005 tax returns that applied their refunds as a 2006 estimated payment, for an average of \$3,081. Estimated payments received through November 2007 for tax year 2007 are as follows:

		Monthly	Cumulative
November-07	140 ES Payment	\$ 842,125	\$ 373,014,502
November-06	140 ES Payment	\$ 7,096,776	\$ 384,079,991
	% change	(88.1)	(2.9)
November-07	Average Payment	\$ 1,996	\$ 2,114
November-06	Average Payment	\$ 3,110	\$ 2,249
	% change	(35.8)	(6.0)
November-07	Applied Refund	\$ 40,987,576	\$ 149,181,124
November-06	Applied Refund	\$ 57,584,851	\$ 127,623,281
	% change	(28.8)	16.9
November-07	Monthly Total	\$ 41,828,700	\$ 522,195,625
November-06	Monthly Total	\$ 64,681,628	\$ 511,703,272
	% change	(35.3)	2.1

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 2006 through March 2007, \$907.1 million was received for the first quarter of 2006. The latest complete quarter (15 months of information has been compiled) is the third quarter of 2006, which shows an increase of 4.8% in withholding payments over the third quarter of 2005. Growth in quarters for which information is still being gathered is as follows:

4 th Quarter 2006	10.7%	2 nd Quarter 2007	1.3%
1 st Quarter 2007	(7.8%)	3 rd Quarter 2007	5.0%
		4 th Quarter 2007	7.9%

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.

	<u>Number</u>	<u>Amount</u>	<u>Average</u>
Calendar Year 2007	13,343	\$ 4,799,432	\$ 360
Calendar Year 2006	13,971	\$ 4,975,909	\$ 356
% Change	(4.5)	(3.5)	1.1

Clean Elections

As a result of the December 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 2007.

	<u>November 2007</u>	<u>Calendar Year Total</u>
Check Off	\$ 63,065	\$ 6,087,585
Voluntary Donation	\$ 3,836	\$ 104,880
Number of Returns	8,016	843,949

Contributions on the Individual Income Tax Return

Through November 2007, individual income tax return filers have made the following contributions:

	<u>Number</u>	<u>Amount</u>	<u>Average</u>
Wildlife	11,293	\$ 238,124	\$ 21.09
Child Abuse	11,699	\$ 250,132	\$ 21.38
Special Olympics	5,516	\$ 108,396	\$ 19.65
Neighbors Helping	3,279	\$ 52,053	\$ 15.87
AID to Education	666	\$ 46,246	\$ 69.44
Domestic Violence Shelter	8,901	\$ 193,039	\$ 21.69
National Guard Contributions*	144	\$ 6,959	\$ 48.33
Democratic Party	1207	\$ 31,491	\$ 26.09
Republican Party	608	\$ 21,256	\$ 34.96
Libertarian Party	104	\$ 3,503	\$ 33.68

*Revised numbers July through September 2007

CORPORATE INCOME TAX

Corporate Income Tax Receipts

	November 2007	November 2006	% Change
Gross Collections	\$20,550,859	\$18,008,043	14.1
Refunds	(\$23,194,073)	(\$12,842,981)	80.6
Net Collections	(\$2,643,214)	\$5,165,062	(151.2)
	Fiscal Year Total	Prior Fiscal Year Total	% Change
Gross Collections	\$345,758,201	\$349,207,007	(1.0)
Refunds	(\$51,779,593)	(\$27,890,436)	85.7
Net Collections	\$293,978,608	\$321,316,571	(8.5)

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.

November 2007	\$15,902,813	Calendar Year Total	\$616,887,619
November 2006	\$9,065,436	Calendar Year Total	\$662,158,950
% Change	75.4%	% Change	(6.8%)

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	% chg
November 2007	89	11	18	2	2	0	122	8.0
November 2006	83	13	15	1	1	0	113	
CY 2007	2,997	433	524	101	100	1	4,156	(9.2)
CY 2006	3,275	506	569	121	103	1	4,575	

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	% chg
November 2007	\$1,040,369	\$726,000	\$4,198,789	\$1,280,393	\$2,297,590	\$9,543,141	26.3
November 2006	\$820,750	\$930,195	\$2,955,700	\$970,158	\$1,878,835	\$7,555,638	
CY 2007	\$37,588,133	\$30,341,072	\$119,151,342	\$69,868,134	\$242,928,286	\$499,876,967	(6.8)
CY 2006	\$37,098,254	\$35,367,002	\$126,968,630	\$87,299,508	\$249,427,749	\$536,161,143	

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 06/07 by corporate fiscal year. For example, in FY 06/07, 6.1% of the refund dollars paid were for corporate fiscal years ending in 2002 or before. The percentages are for refunds paid through the fiscal year.

Corporate Fiscal Year-End:	02 & Prior	03	04	05	06	07
FY 06/07	6.1%	1.7%	1.0%	71.2%	20.0%	0.0%
Corporate Fiscal Year-End:	03 & Prior	04	05	06	07	08
FY 07/08	14.6%	5.8%	7.3%	69.9%	2.4%	0.0%

NO DATA IS AVAILABLE ON REFUNDS APPLIED AS ESTIMATED PAYMENTS.

Corporate Income Tax Document Count

The Arizona Department of Revenue received 121,005 corporate returns showing a fiscal year-end of 2005. The type of return received is indicated below:

	120 X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)	120 A (short form)
#	319	36,521	71,922	421	11,822
%	0.3	30.2	59.4	0.3	9.8

Through November 2007, 121,830 documents were received for a fiscal year-end of 2006, distributed as follows:

	120 X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)	120 A (short form)
#	191	34,451	74,763	478	11,947
%	0.1	28.3	61.4	0.4	9.8

The figures for the 2006 returns are most meaningful when compared to 2005 returns received during the same period of time in the previous year. Through November 2006, the Department of Revenue received 117,832 documents with a fiscal year-end of 2005. Compared to 2006 documents, the Department has seen a 3.4% increase 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 2007/08 is 15.0% of net proceeds from Fiscal Year 2005/06 income tax. Amounts returned for November 2007 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.

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 2007	November 2006	% change
Distribution Base	\$145,966,645	\$146,996,586	(0.7)
Non shared	285,697,918	287,188,952	(0.5)
Use Tax	30,042,343	27,484,263	9.3
Education Tax	53,358,750	54,006,263	(1.2)
Other Revenues	66,933,328	67,781,287	(1.3)
Total Collections	\$581,998,984	\$583,457,352	(0.2)

	Fiscal Year Total (07/08)	Fiscal Year Total (06/07)	% change
Distribution Base	\$738,642,490	\$743,857,474	(0.7)
Non shared	1,460,883,929	1,470,530,196	(0.7)
Use Tax	150,634,181	138,992,531	8.4
Education Tax	273,217,942	274,784,664	(0.6)
Other Revenues	336,823,359	335,217,522	0.5
Total Collections	\$2,960,201,900	\$2,963,382,387	(0.1)

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 2007	November 2006	% change
Retained by State	\$366,084,157	\$365,372,337	0.2
Returned to Counties	59,131,088	59,548,317	(0.7)
Returned to Cities	36,491,661	36,749,147	(0.7)
Education Tax	53,358,750	54,006,263	(1.2)
Other Revenues	66,933,328	67,781,287	(1.3)
Total Collections	\$581,998,984	\$583,457,352	(0.2)

	Fiscal Year Total (07/08)	Fiscal Year Total (06/07)	% change
Retained by State	\$1,866,275,904	\$1,866,079,170	0.0
Returned to Counties	299,224,073	301,336,663	(0.7)
Returned to Cities	184,660,622	185,964,369	(0.7)
Education Tax	273,217,942	274,784,664	(0.6)
Other Revenues	336,823,359	335,217,522	0.5
Total Collections	\$2,960,201,900	\$2,963,382,387	(0.1)

Transaction Privilege and Severance Tax Collections By Class

	Tax Rate	November 2007	% Chg	Fiscal Year Total	% Chg
Transporting	5.6	\$ 158,134	(47.8)	\$ 1,123,043	(32.8)
Non-Metal Mining Oil/Gas	3.125	100,360	(85.9)	3,075,255	(13.2)
Utilities	5.6	39,900,768	11.1	222,269,008	6.9
Communications	5.6	14,974,881	2.1	75,231,796	4.0
Private Car/Pipelines	5.6	79,409	23.9	429,961	11.0
Publishing	5.6	484,824	11.4	2,901,696	0.4
Job Printing	5.6	1,807,218	(9.4)	8,375,826	(0.1)
Restaurants & Bars	5.6	39,808,762	(8.9)	190,917,801	1.6
Amusements	5.6	3,082,517	(6.9)	19,607,955	5.4
Commercial Lease	0	N/A	N/A	N/A	N/A
Rental of Personal Property	5.6	16,461,532	1.7	80,584,833	3.4
Contracting	5.6	88,503,910	(4.8)	453,569,486	(5.2)
Retail	5.6	210,691,556	1.0	1,074,607,790	(1.2)
Mining Severance	2.5	3,433,329	(13.4)	18,516,172	(12.7)
Timber Severance*	0	(17)	N/A	4,547	(65.2)
Hotel/Motel	5.5	11,791,431	7.8	46,361,436	6.6
Membership Camping*	0	(7)	N/A	686	(52.1)
Use Tax	5.6	30,042,343	9.3	150,634,181	8.4
Rental Occupancy Tax*	0	323	N/A	(76,832)	N/A
Jet Fuel		224,664	(41.9)	1,586,094	(31.6)
Jet Fuel Use Tax	\$.0305/\$.0105 gal	23,866	(50.0)	200,563	(17.4)
Telecomm Devices	----	568,835	1.9	2,833,625	4.2
911 Telecommunications		1,396,063	N/A	5,671,025	N/A
911 Wireline	\$0.20/month per active service	634	N/A	922,690	N/A
911 Wireless	\$0.20/month per active service	(93)	N/A	909,541	N/A
Total		\$ 463,535,241	(0.1)	\$ 2,360,258,178	(0.2)

*As of 11/1/06, these categories are no longer subject to county and state tax.

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 2007	% Chg	Fiscal Year Total	% Chg
Transporting	\$3,171,525	(52.7)	\$22,505,958	(34.0)
Non-Metal Mining Oil/Gas	3,245,307	(85.7)	98,532,238	(13.2)
Utilities	798,966,917	11.2	4,448,875,568	6.9
Communications	299,919,469	2.2	1,506,295,610	4.0
Private Car/Pipelines	1,591,541	24.1	8,610,723	11.0
Publishing	9,713,353	11.5	58,097,148	0.4
Job Printing	36,198,334	(9.3)	167,722,331	(0.1)
Restaurants & Bars	797,345,709	(8.8)	3,822,966,762	1.5
Amusements	61,810,137	(6.8)	392,757,687	5.4
Commercial Lease	(4)	N/A	(4)	N/A
Rental of Personal Property	329,686,687	1.7	1,613,568,908	3.3

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 Class (continued)

	November 2007	% Chg	Fiscal Year Total	% Chg
Contracting	1,772,936,889	(4.7)	9,082,263,262	(5.2)
Retail	4,220,605,393	1.1	21,520,671,640	(1.2)
Mining Severance	137,627,913	(13.3)	741,637,251	(12.6)
Timber Severance*	0	N/A	3,035	(53.2)
Hotel/Motel	214,683,793	7.9	844,180,259	6.6
Membership Camping*	0	N/A	14,440	(51.7)
Use Tax	605,565,007	10.1	3,024,331,781	8.6
Rental Occupancy Tax*	10,000	N/A	(2,562,394)	N/A
Total	\$9,293,077,970	(0.1)	\$47,350,472,206	(0.2)

*As of 11/1/06, these categories are no longer subject to county and state tax.

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 Counties

Taxpayers reported the following taxable transactions and tax collections by county. The share of the revenues returned to each county for November 2007 is shown in the County Share column.

	County Share	% of Total	FYTD County Share	% Change
Apache	\$ 401,378	0.7	\$ 2,097,231	1.6
Coconino	1,422,005	2.4	7,760,497	0.5
Cochise	1,006,651	1.7	5,237,042	3.0
Gila	446,468	0.8	2,307,067	3.0
Graham	285,133	0.5	1,469,016	9.3
Greenlee	405,139	0.7	2,178,338	(11.2)
La Paz	146,639	0.2	770,971	(1.6)
Maricopa	38,125,081	64.5	191,179,297	(0.9)
Mohave	1,666,053	2.8	8,741,858	(1.6)
Navajo	895,034	1.5	4,651,271	1.9
Pima	8,386,661	14.2	42,880,163	0.6
Pinal	1,959,670	3.3	9,785,588	(5.2)
Santa Cruz	372,564	0.6	1,915,770	(0.9)
Yavapai	2,049,064	3.5	10,754,625	(2.1)
Yuma	1,563,549	2.6	7,495,339	(0.1)
Total	\$ 59,131,088		\$ 299,224,073	(0.7)

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 2007 is shown on Table 3, attached to this report.

County Tax Collections

The county-imposed tax collections received by the Department of Revenue during November 2007 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.

OTHER TAXES

Luxury Taxes

The following revenues were received from luxury taxes in November 2007. The table compares the receipts to November 2006 and also compares fiscal year (FY) totals. Figures may not add to total due to rounding.

	November 2007	November 2006	% Change
Spirituous	\$ 2,708,507	\$ 2,754,254	(1.7)
Vinous	1,215,998	985,769	23.4
Malt	2,095,251	1,741,229	20.3
Cigarette	32,224,096	36,683,581	(12.2)
Other Tobacco	1,413,034	746,472	89.3
Tobacco Licenses	450	375	20.0
Total	\$ 39,657,336	\$ 42,911,680	(7.6)

	Fiscal Year (07/08)	Fiscal Year (06/07)	% Change
Spirituous	\$ 10,921,271	\$ 10,591,706	3.1
Vinous	4,698,960	4,436,643	5.9
Malt	10,275,775	10,593,247	(3.0)
Cigarette*	163,835,294	149,229,811	9.8
Other Tobacco	6,934,531	3,938,737	76.1
Tobacco Licenses	2,375	3,475	(31.7)
Total	\$ 196,668,205	\$ 178,793,619	10.0

*Through November 2007, \$589,440 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:

	November 2007	FY 07/08
Spirituous	\$ 1,895,955	\$ 7,644,889
Vinous	303,307	1,171,592
Malt	523,813	2,568,943
Cigarettes	2,712,039	13,262,383
Other Tobacco	63,586	312,456
Tobacco Licenses	450	2,375
Total	\$ 5,499,150	\$ 24,962,639

Other dedicated revenues from luxury taxes:

	November 2007	FY07/08
Corrections Fund	\$ 2,598,533	\$ 11,635,579
Tobacco Tax & Health Care Fund ²	\$ 6,392,149	\$ 33,751,753
Tobacco Products Tax Fund ³	\$ 9,588,224	\$ 50,627,630
Wine Promotional Fund	\$ 2,769	\$ 12,590
Drug Treatment & Education Fund	\$ 785,122	\$ 3,457,675
Corrections Rev. Fund	\$ 312,849	\$ 1,374,988
Smoke Free Arizona Fund ⁴	\$ 339,005	\$ 1,658,724
Early Childhood Development and Health Fund ⁵	\$ 14,139,535	\$ 69,186,626

Estate Tax

	Monthly	FYTD
November-07	\$ 26,016	\$ 260,778
November-06	\$ (1,075,680)	\$ (997,129)
change	N/A	N/A

Bingo Tax

	Monthly	FYTD
November-07	\$ 40,887	\$ 233,411
November-06	\$ 49,098	\$ 255,563
change	(16.7)	(8.7)

Unclaimed Property

	Monthly	FYTD
November-07	\$ 29,882,508	\$ 63,393,650
November-06	\$ 24,951,208	\$ 56,852,926
change	19.8	11.5

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

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.

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

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

TABLE 1
"New" Returns Filed in 2007 for Tax Year 2006
Through November 2007

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	2,598	0.9	(\$27,554)	\$2	23.1	67.7	6.1	3.1	14.2	16.8
\$0-\$5,000	55,021	18.4	\$2,721	\$1	4.0	84.8	10.4	0.9	4.6	15.4
\$5,000-\$10,000	58,001	19.4	\$7,387	\$22	5.7	75.2	18.0	1.1	4.9	25.4
\$10,000-\$15,000	41,908	14.0	\$12,396	\$87	10.7	60.6	27.3	1.4	7.6	37.2
\$15,000-\$20,000	32,155	10.8	\$17,371	\$152	17.1	49.7	31.2	2.0	7.4	44.8
\$20,000-\$25,000	23,424	7.8	\$22,380	\$250	21.6	45.0	30.8	2.6	6.5	48.3
\$25,000-\$30,000	17,459	5.8	\$27,393	\$362	25.1	43.4	28.8	2.7	6.8	47.9
\$30,000-\$40,000	22,705	7.6	\$34,526	\$523	30.7	41.0	24.7	3.6	7.0	46.2
\$40,000-\$50,000	13,548	4.5	\$44,624	\$740	40.5	37.3	18.7	3.5	8.2	46.1
\$50,000-\$75,000	17,285	5.8	\$60,729	\$1,079	56.5	28.7	11.8	3.0	12.1	46.2
\$75,000-\$100,000	7,356	2.5	\$85,762	\$1,700	69.2	21.6	6.9	2.3	14.9	45.5
\$100,000-\$200,000	5,746	1.9	\$130,345	\$3,039	71.4	20.3	6.2	2.1	17.6	43.4
\$200,000-\$500,000	1,248	0.4	\$283,974	\$8,993	64.3	25.0	7.1	3.6	24.8	35.6
\$500,000-\$1,000,000	227	0.1	\$684,463	\$24,957	58.0	26.8	9.1	6.1	28.1	34.2
\$1,000,000 and over	131	0.0	\$1,887,431	\$100,917	56.5	30.4	8.0	5.1	22.5	34.8
Total	298,812		\$23,969	\$411	16.3	48.6	17.1	1.6	7.1	35.0

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

NEW RETURNS FILED IN 2006 FOR TAX YEAR 2005

Total	280,854		\$23,532	\$423	16.9	48.9	15.7	1.5	7.2	33.9
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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 2007

City	Distribution	Population	City	Distribution	Population
<u>Apache County</u>			Surprise	1,035,135	88,265
Eagar	\$52,012	4,435	Tempe	1,944,387	165,796
St. Johns	45,327	3,865	Tolleson	76,206	6,498
Springerville	24,217	2,065	Wickenburg	71,269	6,077
<u>Cochise County</u>			Youngtown	72,277	6,163
Benson	55,589	4,740	<u>Mohave County</u>		
Bisbee	77,050	6,570	Bullhead City	448,111	38,210
Douglas	201,656	17,195	Colorado City	47,849	4,080
Huachuca City	21,461	1,830	Kingman	303,275	25,860
Sierra Vista	512,378	43,690	Lake Havasu City	626,664	53,435
Tombstone	18,881	1,610	<u>Navajo County</u>		
Willcox	45,562	3,885	Holbrook	63,622	5,425
<u>Coconino County</u>			Pinetop-Lakeside	48,845	4,165
Flagstaff	717,552	61,185	Show Low	115,927	9,885
Fredonia	13,018	1,110	Snowflake	57,876	4,935
Page	83,383	7,110	Taylor	48,083	4,100
Williams	36,883	3,145	Winslow	115,341	9,835
<u>Gila County</u>			<u>Pima County</u>		
Globe	87,898	7,495	Marana	313,420	26,725
Hayden	10,461	892	Oro Valley	462,067	39,400
Miami	22,927	1,955	Sahuarita	164,069	13,990
Payson	180,957	15,430	South Tucson	66,026	5,630
Star Valley	23,526	2,006	Tucson	6,212,923	529,770
Winkelman	5,195	443	<u>Pinal County</u>		
<u>Graham County</u>			Apache Junction	399,559	34,070
Pima	25,590	2,182	Casa Grande	380,795	32,470
Safford	109,770	9,360	Coolidge	95,932	8,180
Thatcher	53,361	4,550	Eloy	130,469	11,125
<u>Greenlee County</u>			Florence	240,767	20,530
Clifton	30,445	2,596	Kearny	26,375	2,249
Duncan	9,523	812	Mammoth	20,664	1,762
<u>La Paz County</u>			Maricopa	186,867	15,934
Parker	38,466	3,280	Superior	38,162	3,254
Quartzsite	42,219	3,600	<u>Santa Cruz County</u>		
<u>Maricopa County</u>			Nogales	256,013	21,830
Avondale	813,378	69,356	Patagonia	10,789	920
Buckeye	297,951	25,406	<u>Yavapai County</u>		
Carefree	43,204	3,684	Camp Verde	125,837	10,730
Cave Creek	55,894	4,766	Chino Valley	144,542	12,325
Chandler	2,707,254	230,845	Clarkdale	43,158	3,680
El Mirage	375,998	32,061	Cottonwood	127,362	10,860
Fountain Hills	287,232	24,492	Dewey-Humboldt	47,262	4,030
Gila Bend	23,221	1,980	Jerome	3,870	330
Gilbert	2,082,162	177,544	Prescott	478,134	40,770
Glendale	2,842,403	242,369	Prescott Valley	393,754	33,575
Goodyear	541,967	46,213	Sedona	128,241	10,935
Guadalupe	65,147	5,555	<u>Yuma County</u>		
Litchfield Park	53,103	4,528	San Luis	268,914	22,930
Mesa	5,255,084	448,096	Somerton	114,344	9,750
Paradise Valley	162,580	13,863	Wellton	23,103	1,970
Peoria	1,620,084	138,143	Yuma	1,041,116	88,775
Phoenix	17,307,969	1,475,834			
Queen Creek	192,497	16,414			
Scottsdale	2,753,074	234,752	TOTAL	\$57,044,910	4,864,165

TABLE 3
Transaction Privilege and Severance Tax Returned to Cities/Towns
November 2007

City	Distribution	Population	City	Distribution	Population
<u>Apache County</u>			Surprise	662,177	88,265
Eagar	\$33,272	4,435	Tempe	1,243,825	165,796
Springerville	15,492	2,065	Tolleson	48,749	6,498
St. Johns	28,996	3,865	Wickenburg	45,591	6,077
<u>Cochise County</u>			Youngtown	46,236	6,163
Benson	35,560	4,740	<u>Mohave County</u>		
Bisbee	49,289	6,570	Bullhead City	286,657	38,210
Douglas	128,999	17,195	Colorado City	30,609	4,080
Huachuca City	13,729	1,830	Kingman	194,005	25,860
Sierra Vista	327,769	43,690	Lake Havasu City	400,877	53,435
Tombstone	12,078	1,610	<u>Navajo County</u>		
Willcox	29,146	3,885	Holbrook	40,699	5,425
<u>Coconino County</u>			Pinetop/Lakeside	31,246	4,165
Flagstaff	459,019	61,185	Show Low	74,159	9,885
Fredonia	8,327	1,110	Snowflake	37,023	4,935
Page	53,340	7,110	Taylor	30,759	4,100
Williams	23,594	3,145	Winslow	73,784	9,835
<u>Gila County</u>			<u>Pima County</u>		
Globe	56,229	7,495	Marana	200,495	26,725
Hayden	6,692	892	Oro Valley	295,584	39,400
Miami	14,667	1,955	Sahuarita	104,955	13,990
Payson	115,758	15,430	South Tucson	42,237	5,630
Star Valley	15,049	2,006	Tucson	3,974,410	529,770
Winkelman	3,323	443	<u>Pinal County</u>		
<u>Graham County</u>			Apache Junction	255,598	34,070
Pima	16,370	2,182	Casa Grande	243,595	32,470
Safford	70,220	9,360	Coolidge	61,368	8,180
Thatcher	34,135	4,550	Eloy	83,461	11,125
<u>Greenlee County</u>			Florence	154,019	20,530
Clifton	19,476	2,596	Kearny	16,872	2,249
Duncan	6,092	812	Mammoth	13,219	1,762
<u>La Paz County</u>			Maricopa	119,539	15,934
Parker	24,607	3,280	Superior	24,412	3,254
Quartzsite	27,008	3,600	<u>Santa Cruz County</u>		
<u>Maricopa County</u>			Nogales	163,772	21,830
Avondale	520,319	69,356	Patagonia	6,902	920
Buckeye	190,599	25,406	<u>Yavapai County</u>		
Carefree	27,638	3,684	Camp Verde	80,498	10,730
Cave Creek	35,755	4,766	Chino Valley	92,464	12,325
Chandler	1,731,832	230,845	Clarkdale	27,608	3,680
El Mirage	240,526	32,061	Cottonwood	81,473	10,860
Fountain Hills	183,742	24,492	Dewey-Humboldt	30,234	4,030
Gila Bend	14,854	1,980	Jerome	2,476	330
Gilbert	1,331,960	177,544	Prescott	305,862	40,770
Glendale	1,818,287	242,369	Prescott Valley	251,884	33,575
Goodyear	346,697	46,213	Sedona	82,036	10,935
Guadalupe	41,674	5,555	<u>Yuma County</u>		
Litchfield Park	33,970	4,528	San Luis	172,024	22,930
Mesa	3,361,680	448,096	Somerton	73,146	9,750
Paradise Valley	104,002	13,863	Wellton	14,779	1,970
Peoria	1,036,369	138,143	Yuma	666,003	88,775
Phoenix	11,071,918	1,475,834			
Queen Creek	123,140	16,414			
Scottsdale	1,761,143	234,752	TOTAL	\$36,491,661	4,864,165

**TABLE 4
County Tax Collections
November 2007**

	Road	Excise	Jail	Rental Car	Stadium	RV Surcharge	Hospital/ Health Svc	Capital Projects	Sports & Tourism Authority
Apache		\$ 104,527							
Cochise		\$ 622,603							
Coconino		\$ 1,077,494	\$ 1,065,092					\$ 269,256	
Gila	\$ 311,309	\$ 303,834							
Graham		\$ 180,003							
Greenlee		\$ 128,571							
La Paz		\$ 69,351	\$ 69,351				\$ 8		
Maricopa	\$ 31,330,206		\$ 11,556,595	\$ 512,298	\$ 50				\$ 1,889,830
Mohave		\$ 519,435							
Navajo		\$ 589,455							
Pima	\$ 6,041,595			\$ 138,840		\$ 20,209	\$ 268,822		
Pinal	\$ 1,437,466	\$ 1,401,512							
Santa Cruz		\$ 247,448	\$ 246,291						
Yavapai		\$ 1,319,688	\$ 659,735						
Yuma		\$ 1,065,959	\$ 1,065,961				\$ 212,556	\$ 253	