

Trends in Arizona's Tax Structure on Individuals and Families

Rolling Thunder Democracy Tour July 27, 2002

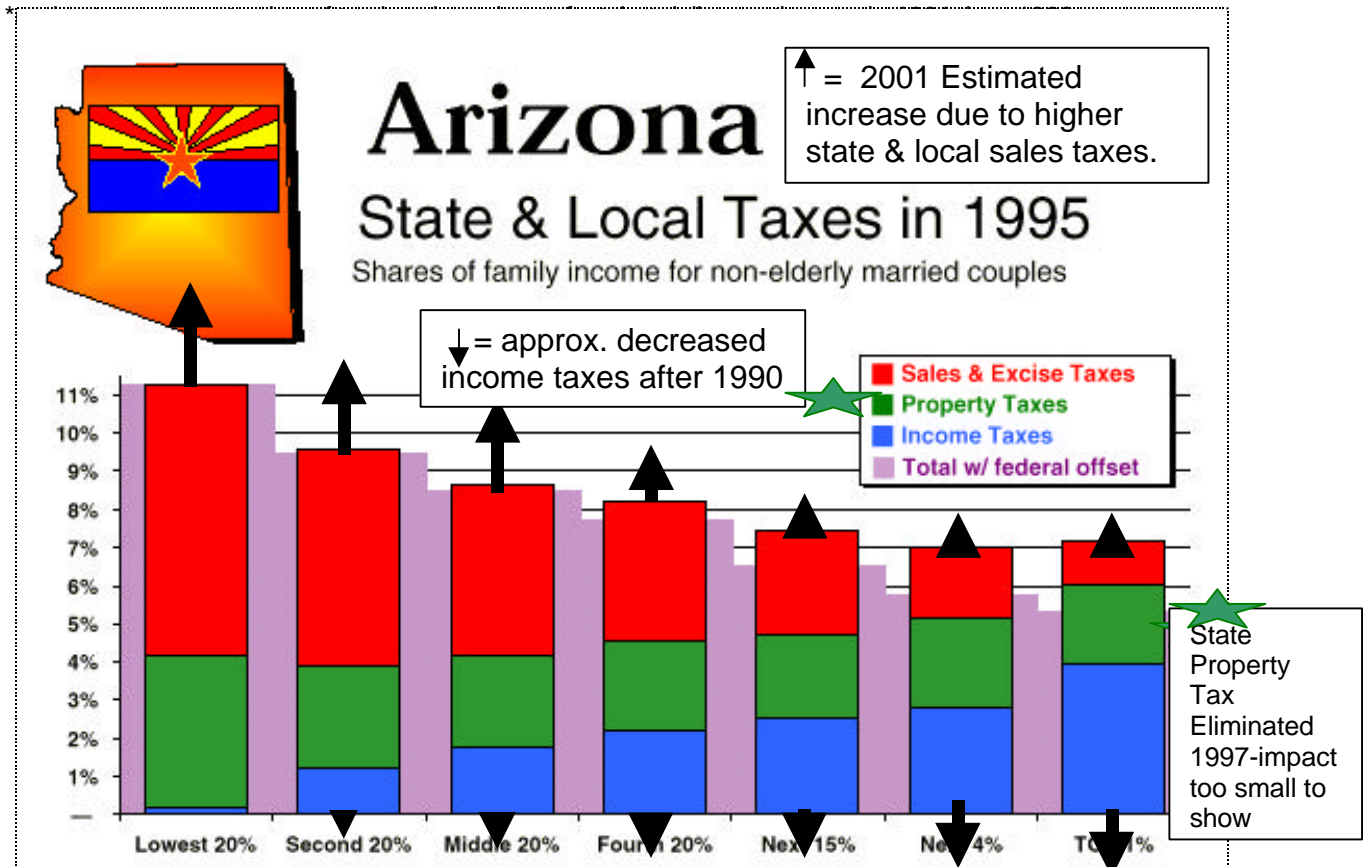
☛ Watch what politicians say: Here's some popular sound bites they use to trick you!
 "You know how to spend money better than government" OR
 "cut government waste" / "forcing government to do more with less"
Government can do better, but not by cutting taxes or a sound bite! Just ask a state employee!

Arizona Income Tax Cuts: 1990-1998

Income Bracket	Avg. tax savings 1998	Avg. % drop 1998	1990 rate 1998	1998 rate 1998	total savings*	% of filers, 1998
< \$25,000	\$28	18.4%	\$1,223	\$1,055	\$168	47%
\$25-50,000	249	28.6	6,979	5,840	1,139	27
\$50-100,000	515	26.4	15,601	13,463	2,138	19.4
\$100,000-\$1Mil.	2,410	30	64,187	54,122	10,064	6.5
\$1M+	-810	-0.6	1,011,830	1,046,989	-35,158	0.1

Source: Arizona Dept. of Revenue

Data Analysis by Ryan Konig *Arizona Republic* 2/18/01



Source: 1995 Citizen's For Tax Justice (<http://www.ctj.org>); updates Dave Wells, Arizona State University Notes:

Cumulative Savings over the 1991-98 period understates amount of savings due to impacts of inflation; in 1991 a dollar bought more than in 1998.

Renters pay property taxes indirectly as landlords pass on property taxes in the rent. Renters also often pay local taxes as a % of their rent. Indirect payments included in calculations.

Federal Offset (background shadow): Homeowners can deduct property taxes from their federal taxable income. Renters cannot do this, even though they pay these taxes indirectly.