

Finance Advisory Committee

Briefing Materials

January 26, 2023

12:30 p.m.



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Finance Advisory Committee

Revenue and Budget Update

January 26, 2023



Key Points of the January Baseline

- After a 17% increase in FY 22, General Fund revenue growth is expected to moderate to 7.5% in FY 23 and 2% in FY 24.
- The state will have a large 1-time balance of \$1.8 Billion in FY 24 but the balance declines to \$1 Million by FY 25.
- We have substantial capacity for 1-time budget proposals, but ongoing initiatives would create a shortfall in FY 25.
- Our comments today focus on revenues – for more insight into the overall budget, please see our Appropriations Committee presentations.

Forecasting State Revenues

Retail TPT and Withholding Slowed in the 1st Half of FY 23

- But Contracting Did Accelerate

	(% Growth)	
	<u>FY 22</u>	<u>FY 23 YTD</u>
TPT Retail/Remote	13.7%	6.4%
TPT Contracting	10.5%	21.6%
Withholding	12.4%	4.8%

January 4-Sector “Consensus”: Much Slower Growth in FY 24 & FY 25

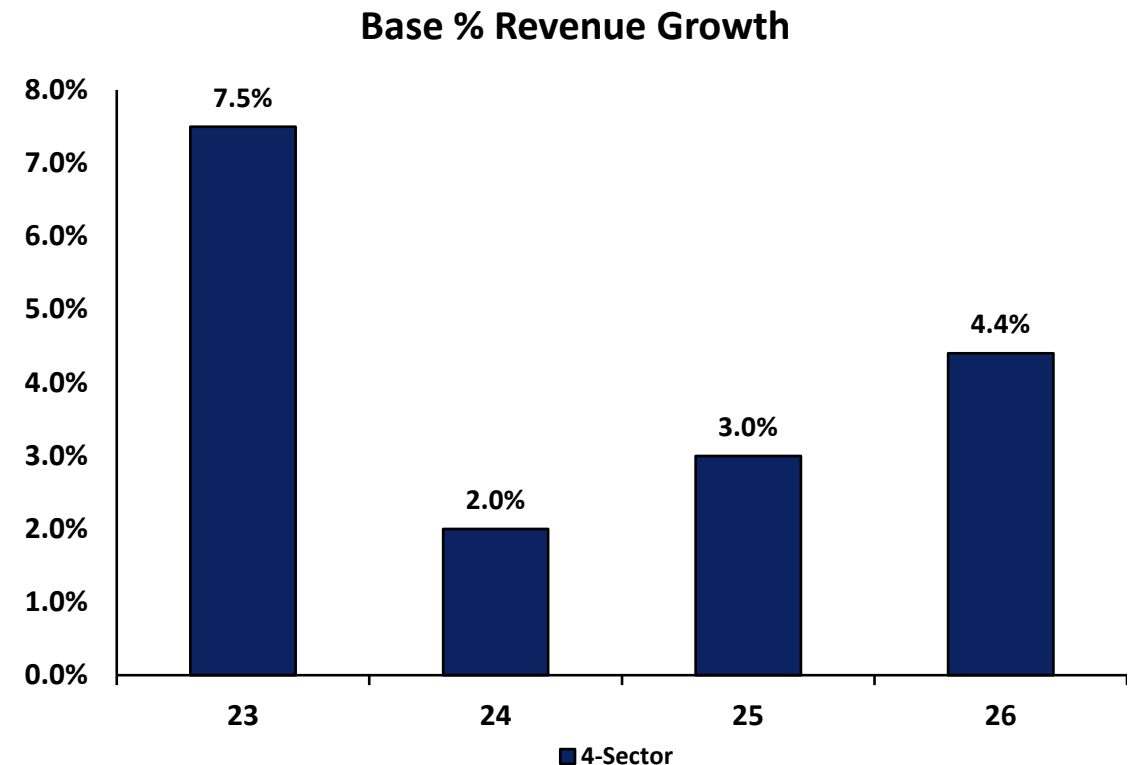
- With Moderate Recovery in FY 26

4-Sector Components

- Finance Advisory Committee
- UA model – base forecast
- UA model – more cautious
- JLBC Staff

Other Considerations

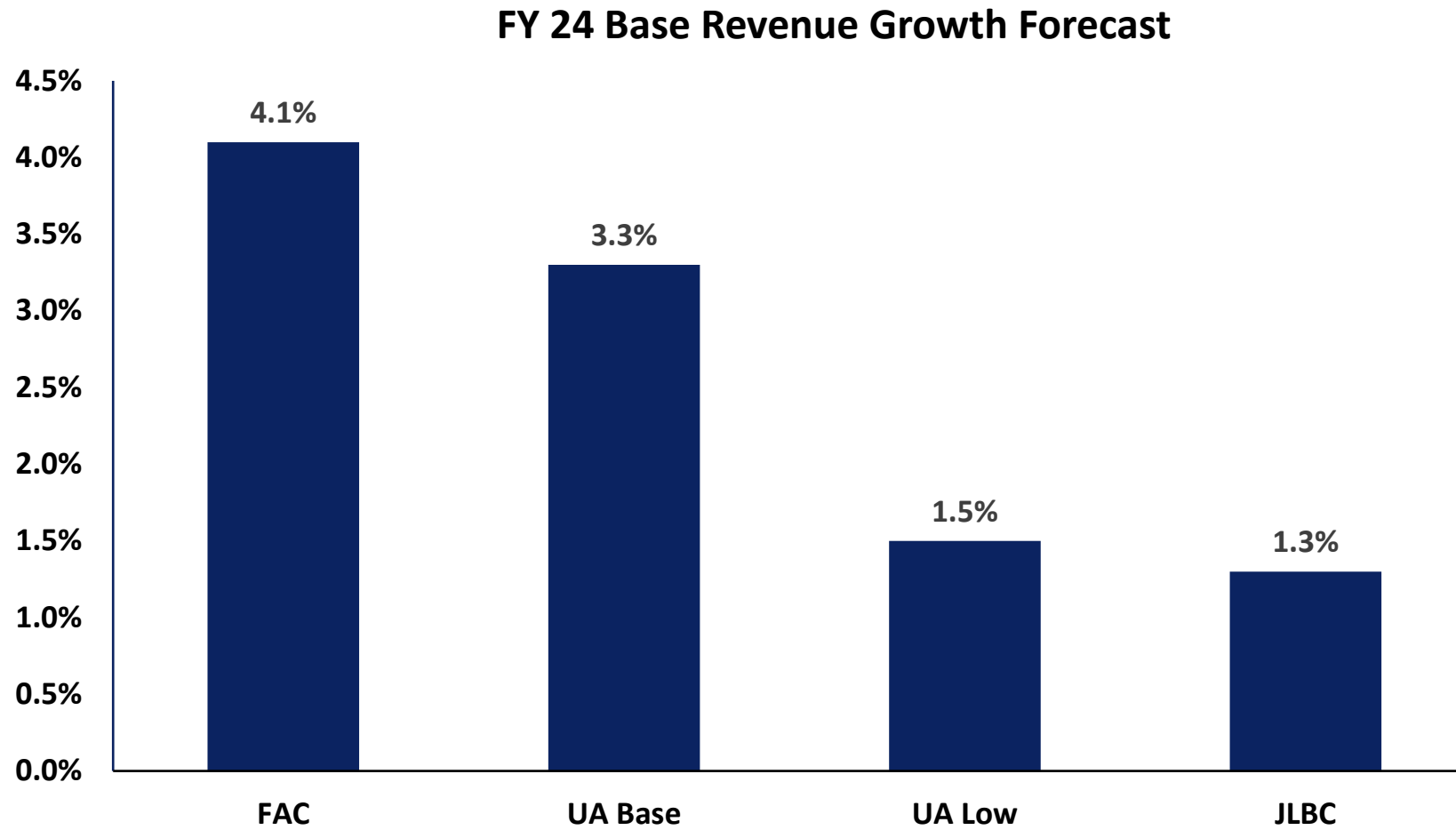
- Rates are Prior to Enacted Tax Cuts
- With Tax Cuts, FY 23 & FY 24 net growth is negative



Excludes balance forward, one-time transfers, tax law changes and urban revenue sharing

See Appendix A and B

FY 24 4-Sector Reflects Recession Uncertainty



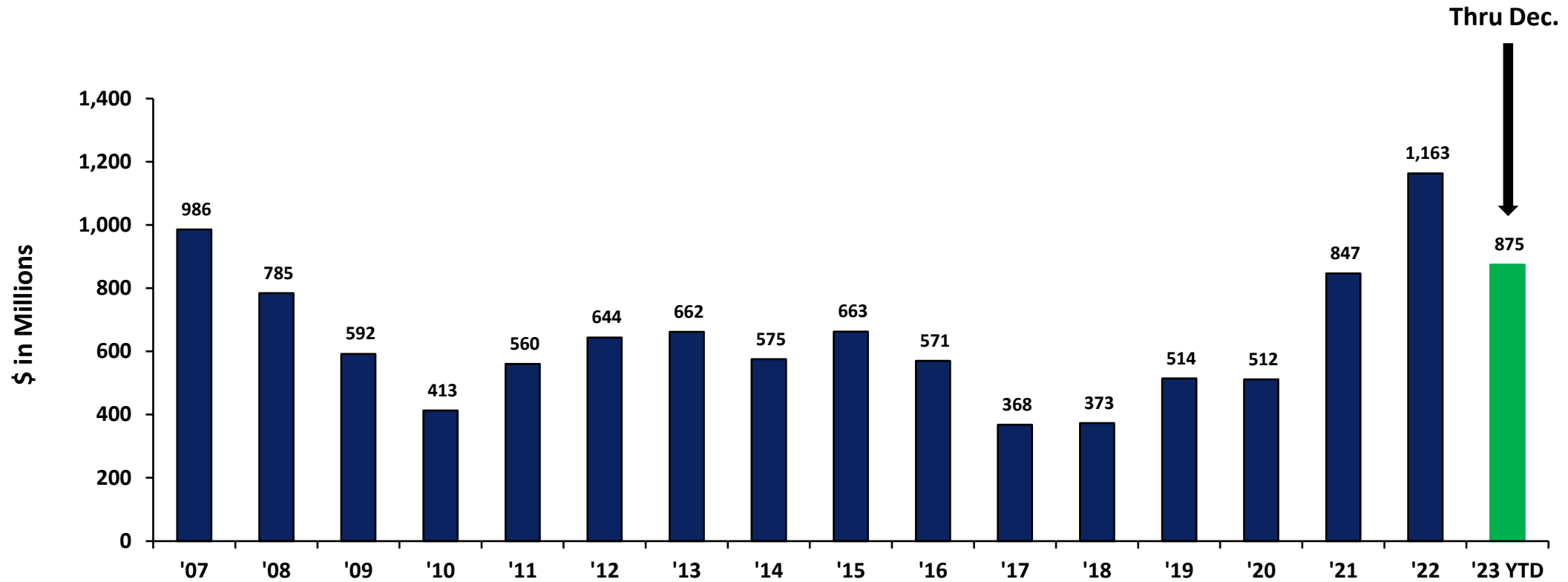
Forecasters' Assessment of Recession Risk

- Difficult to Translate into AZ General Fund Impact

- National Association for Business Economics (NABE)
 - 57% of respondents believe probability of a recession starting in CY 2023 is greater than 50%
- Bloomberg's Monthly Survey of Economists
 - Survey respondents see a 70% risk of recession in CY 2023
- IHS Markit Forecasting
 - Risk of recession in CY 2023 is 80%

Example of a Recession Risk: Corporate Income Tax

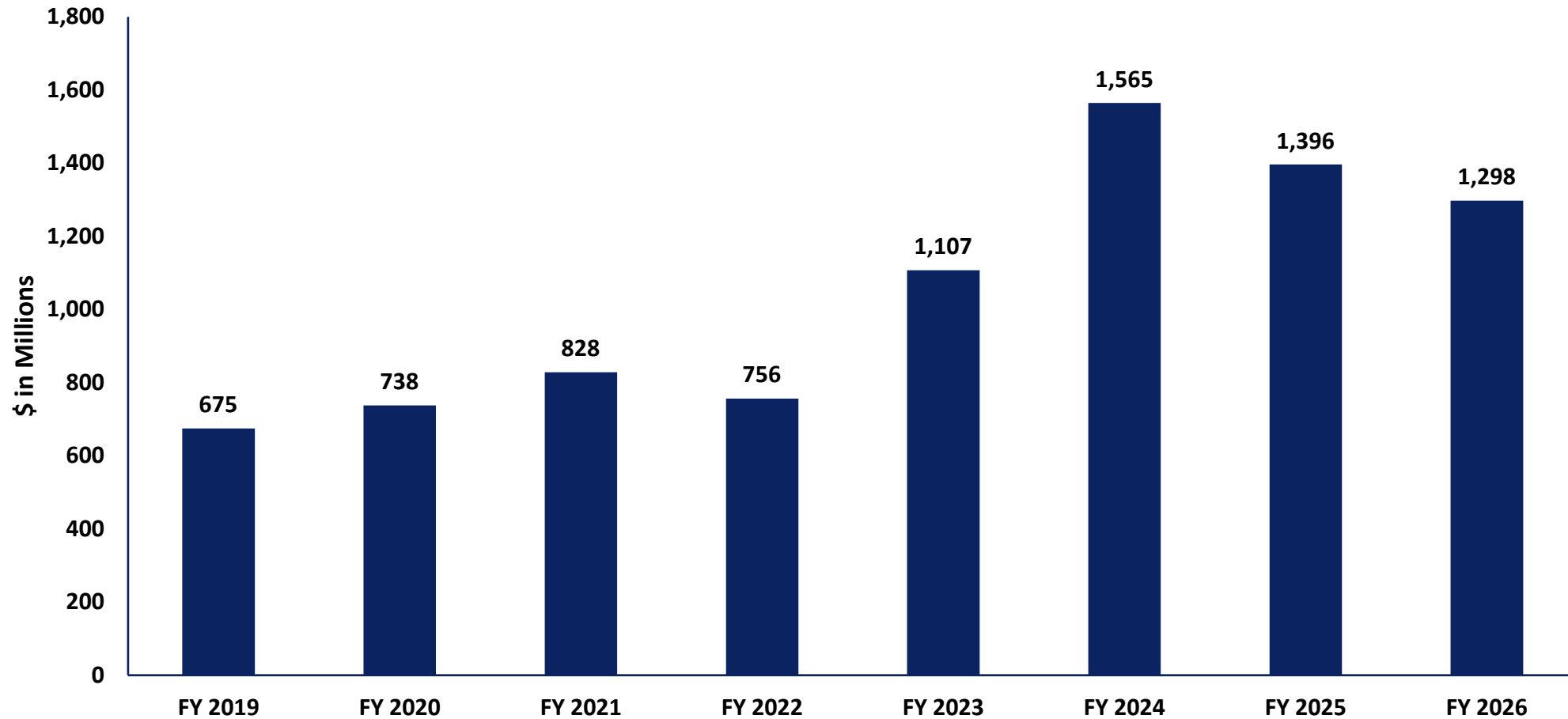
- Given the Cyclic Nature of CIT, Recent Rapid Growth Poses Significant Downside Risk



State's 56% YTD Growth Compares to 9% Federal Increase

Urban Revenue Sharing – FY 2019 through FY 2026

- % Share of Income Taxes Grows from 15% to 18% in FY 24



JLBC – Executive Revenue Differences

- Combined '23/'24 Difference is Small; Executive is Less in '24 & '25

<u>FY</u>	<u>(\$ in M)</u> <u>Exec < JLBC</u>
'23	555
'24	(493)
'25	(218)
'26	(238)

- #s Exclude New Executive Tax Cuts. Executive proposes:
 - A new Child Tax Credit
 - TPT exemptions for feminine hygiene products and child diapers

Executive Proposes New \$100 Child Tax Credit

- Supplements Existing \$100 Dependent Tax Credit

	<u>Current Dependent Tax Credit</u>	<u>Executive Proposal</u>
Credit Amount	\$100 < 17 years old \$25 ≥ 17 years old	\$100 < 17 years old
Income Threshold	\$200,000/\$400,000 Single/Married	\$20,000/\$40,000 Single/Married
Refundable	No	Yes
Cost	\$145.4 million in FY 22	\$50.0 million in FY 2024

Executive Proposes to Add 2 New TPT Exemptions

- JLBC and Executive Scoring Significantly Different

\$ in Millions		
	<u>Executive</u>	<u>JLBC</u>
Feminine Hygiene Products	24	4
Child Diapers	<u>16</u>	<u>6</u>
Total	40	10

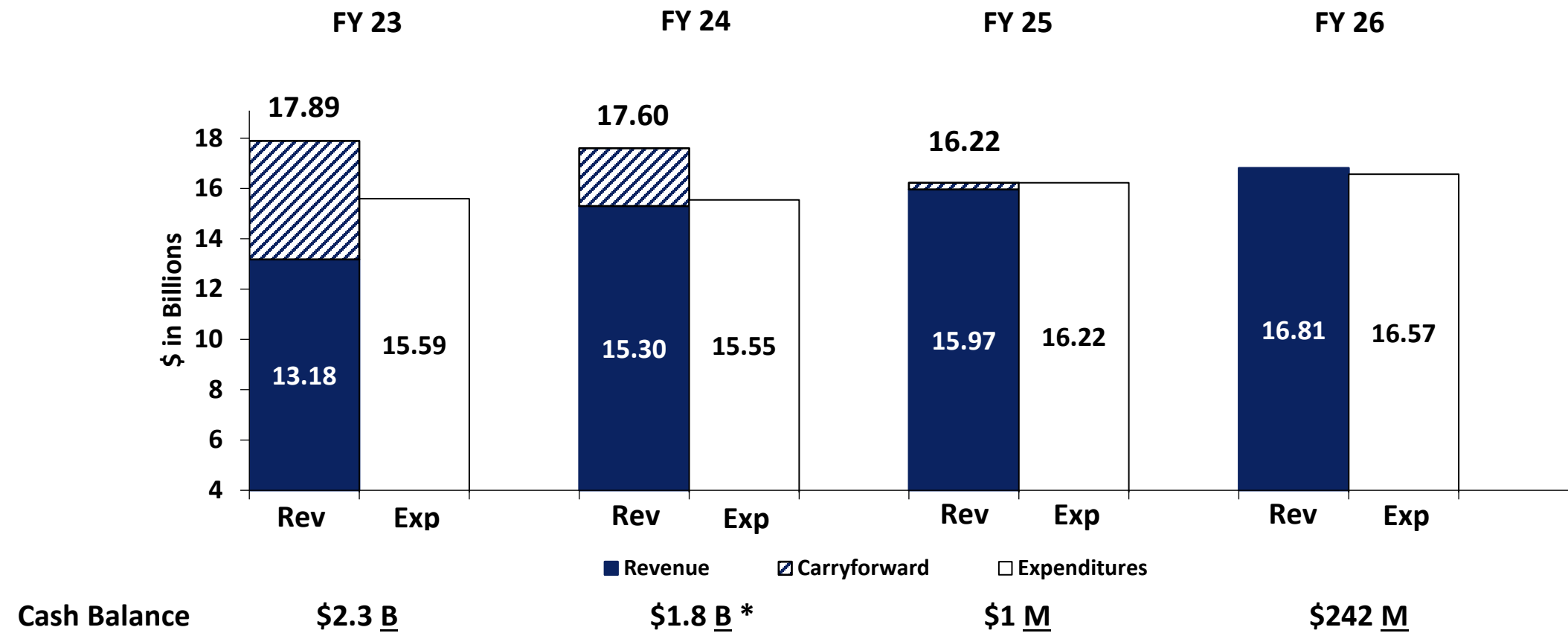
- Details of the JLBC Staff cost estimate can be found in the Fiscal Note for SB 1033

Projected Ending Balances

Excludes \$1.4 B in Budget Stabilization Fund

Available Balances: \$1.8 B for One-Time Initiatives Only

- Any Ongoing Initiatives Would Create FY 25 Shortfall
- FY 25 Initially Was \$(260) M Short; Solved by Using Part of FY 24 Surplus



* This amount is after \$260 M is carried into FY 25 to resolve that year's shortfall.

Final Thoughts

- Given the economic uncertainty, our revenue estimates will likely change considerably as we go through the FY 24 budget process.
- In addition, we will be monitoring income tax collections:
 - First returns filed under phase 1 of the income tax reduction
 - Standard withholding rate changed from 2.7% to 2.0% in January
- The FAC will meet again this spring once we re-evaluate our forecast

STAFF OF THE JOINT LEGISLATIVE BUDGET COMMITTEE

Director.....	Richard Stavneak
Office Manager.....	Linda Monsanto
Deputy Directors.....	Stefan Shepherd
.....	Jack Brown
Chief Economist.....	Hans Olofsson
Assistant Directors.....	Micaela Larkin
.....	Patrick Moran
.....	Rebecca Perrera
Principal Fiscal Analysts.....	Morgan Dorcheus
.....	Geoffrey Paulsen
Senior Fiscal Analysts.....	Ryan Fleischman
.....	Jordan Johnston
.....	Maggie Rocker
Economists.....	Ben Newcomb
Fiscal Analysts.....	Nate Belcher
.....	Chandler Coiner
.....	Cameron Mortensen
Senior Administrative Assistant / JLBC Clerk.....	Kristy Paddack
Administrative Assistant / JCCR Clerk.....	Jennifer Burns

Appendix A: 4-Sector Forecast

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Sales Tax				
JLBC Forecast	6.7%	2.5%	4.2%	4.7%
UA – Low	6.4%	0.7%	2.9%	4.4%
UA – Base	7.2%	2.9%	4.3%	4.8%
FAC	7.6%	5.0%	4.6%	6.3%
Average:	7.0%	2.8%	4.0%	5.1%
Individual Income Tax with Deferral				
JLBC Forecast	5.5%	1.0%	-0.4%	2.1%
UA – Low	5.7%	2.5%	4.7%	5.2%
UA – Base	6.1%	4.3%	5.5%	5.6%
FAC	5.0%	3.3%	4.3%	4.5%
Average:	5.6%	2.8%	3.6%	4.4%
Corporate Income Tax				
JLBC Forecast	6.8%	-3.8%	1.4%	2.6%
UA – Low	12.0%	-2.7%	3.3%	5.1%
UA – Base	13.9%	0.5%	4.0%	5.4%
FAC	15.5%	3.9%	4.5%	7.1%
Average:	12.0%	-0.3%	3.4%	5.2%
Insurance Premium Tax				
JLBC Forecast	3.3%	-0.7%	-0.6%	2.8%
UA – Low	4.5%	-0.5%	2.9%	3.1%
UA – Base	5.3%	1.1%	4.3%	4.1%
FAC	5.9%	4.4%	4.5%	3.9%
Average:	4.7%	1.1%	2.8%	3.5%

JLBC Weighted Average	6.0%	1.3%	1.7%	3.3%
UA Low Weighted Average	6.4%	1.5%	3.7%	4.8%
UA Base Weighted Average	7.1%	3.3%	4.8%	5.2%
FAC Consensus Weighted Average	6.9%	4.1%	4.5%	5.5%
“Big-4” Weighted Average	6.6%	2.5%	3.7%	4.7%
Consensus Weighted Average	7.5%	2.0%	3.0%	4.4%

* Represents ongoing revenue adjusted for small revenue categories.

Appendix B: January FAC Forecast '22 – '24

FORECAST REVENUE GROWTH								
(\$ in Thousands)								
	ACTUAL FY 2022	% CHANGE PRIOR YR	FORECAST FY 2023	% CHANGE PRIOR YR	\$ CHANGE PRIOR YR	FORECAST FY 2024	% CHANGE PRIOR YR	\$ CHANGE PRIOR YR
Sales and Use	7,208,853.5	15.4%	7,710,847.8	7.0%	501,994.2	7,925,320.8	2.8%	214,473.0
Income - Individual	7,530,010.7	15.3%	6,452,914.5	-14.3%	(1,077,096.2)	5,909,733.4	-8.4%	(543,181.1)
- Corporate	1,163,468.9	37.4%	1,303,569.9	12.0%	140,101.0	1,299,718.8	-0.3%	(3,851.1)
Property	26,787.4	19.7%	24,805.2	-7.4%	(1,982.3)	24,259.5	-2.2%	(545.7)
Luxury - Tobacco	20,941.2	-6.8%	20,731.7	-1.0%	(209.4)	20,524.4	-1.0%	(207.3)
- Liquor	43,720.7	-2.3%	45,163.5	3.3%	1,442.8	44,034.4	-2.5%	(1,129.1)
Insurance Premium	707,654.0	14.8%	741,267.6	4.7%	33,613.6	749,340.8	1.1%	8,073.3
Other Taxes	16,301.4	6.5%	17,344.7	6.4%	1,043.3	18,420.0	6.2%	1,075.4
Subtotal - Taxes	16,717,737.8	16.5%	16,316,644.8	-2.4%	(401,093.0)	15,991,352.1	-2.0%	(325,292.7)
Other Non-Tax Revenues:								
Lottery	183,680.2	75.4%	175,812.1	-4.3%	(7,868.1)	188,150.7	7.0%	12,338.6
Gaming Revenue	10,437.0	N/A	33,586.0	221.8%	23,149.0	22,938.6	-31.7%	(10,647.4)
Licenses, Fees and Permits	40,600.8	4.3%	43,970.7	8.3%	3,369.9	46,940.5	6.8%	2,969.8
Interest	46,383.0	5118.2%	300,000.0	546.8%	253,617.0	270,000.0	-10.0%	(30,000.0)
Sales and Services	30,351.5	16.5%	33,234.9	9.5%	2,883.4	36,093.1	8.6%	2,858.2
Other Miscellaneous	155,770.7	4.4%	163,578.1	5.0%	7,807.5	177,344.2	8.4%	13,766.0
Transfers and Reimbursements	168,356.1	29.5%	101,039.8	-40.0%	(67,316.3)	60,568.5	-40.1%	(40,471.3)
Disproportionate Share Revenue	87,833.5	3.5%	84,478.0	-3.8%	(3,355.5)	75,853.5	-10.2%	(8,624.5)
Subtotal - Other Non-Tax	723,412.8	29.7%	935,699.7	29.3%	212,286.9	877,889.0	-6.2%	(57,810.6)
Net Ongoing Revenue	17,441,150.6	17.0%	17,252,344.4	-1.1%	(188,806.2)	16,869,241.1	-2.2%	(383,103.3)
Urban Revenue Sharing (URS)	(756,388.3)	N/A	(1,106,958.7)	N/A	(350,570.4)	(1,564,826.3)	N/A	(457,867.7)
Net Ongoing Revenue w/ URS	16,684,762.3	18.5%	16,145,385.8	-3.2%	(539,376.6)	15,304,414.8	-5.2%	(840,971.0)
One-Time Financing Sources:								
Water Infrastructure Repayment	20,000.0	N/A	0.0	-100.0%	(20,000.0)	0.0	N/A	0.0
Attorney General Settlement	0.0	N/A	77,250.0	N/A	77,250.0	0.0	-100.0%	(77,250.0)
Withholding Revenue Loss	0.0	N/A	(700,000.0)	N/A	(700,000.0)	0.0	N/A	700,000.0
TPT Diversions	0.0	N/A	(2,287,489.6)	N/A	(2,287,489.6)	0.0	N/A	2,287,489.6
Newly Enacted Tax Reductions	0.0	N/A	(50,000.0)	N/A	(50,000.0)	0.0	N/A	50,000.0
Other One-Time Revenue Changes	0.0	N/A	(3,500.0)	N/A	(3,500.0)	0.0	N/A	3,500.0
Subtotal - One-Time Financing Sources	20,000.0	N/A	(2,963,739.6)	N/A	(2,983,739.6)	0.0	N/A	2,963,739.6
Subtotal - Revenues	16,704,762.3	18.3%	13,181,646.2	-21.1%	(3,523,116.2)	15,304,414.8	16.1%	2,122,768.6
Balance Forward	894,636.0	140.2%	4,709,446.0	426.4%	3,814,810.0	2,296,811.1	-51.2%	(2,412,634.9)
Total - Resources	17,599,398.3	21.5%	17,891,092.2	1.7%	291,693.8	17,601,225.9	-1.6%	(289,866.3)

Appendix B: January FAC Forecast '25 – '26

FORECAST REVENUE GROWTH						
(\$ in Thousands)						
	FORECAST FY 2025	% CHANGE PRIOR YR	\$ CHANGE PRIOR YR	FORECAST FY 2026	% CHANGE PRIOR YR	\$ CHANGE PRIOR YR
Sales and Use	8,243,189.7	4.0%	317,868.9	8,660,647.3	5.1%	417,457.6
Income - Individual	6,112,745.3	3.4%	203,011.9	6,374,711.9	4.3%	261,966.6
- Corporate	1,343,290.9	3.4%	43,572.1	1,412,597.1	5.2%	69,306.3
Property	23,725.8	-2.2%	(533.7)	23,203.8	-2.2%	(522.0)
Luxury - Tobacco	20,319.2	-1.0%	(205.2)	20,116.0	-1.0%	(203.2)
- Liquor	46,500.3	5.6%	2,465.9	49,104.3	5.6%	2,604.0
Insurance Premium	770,498.5	2.8%	21,157.7	797,514.1	3.5%	27,015.6
Other Taxes	19,543.6	6.1%	1,123.6	20,716.3	6.0%	1,172.6
Subtotal - Taxes	16,579,813.2	3.7%	588,461.2	17,358,610.7	4.7%	778,797.5
Other Non-Tax Revenues:						
Lottery	198,622.1	5.6%	10,471.4	209,961.7	5.7%	11,339.6
Gaming Revenue	23,952.7	4.4%	1,014.1	25,017.6	4.4%	1,064.9
Licenses, Fees and Permits	48,912.0	4.2%	1,971.5	50,966.3	4.2%	2,054.3
Interest	146,000.0	-45.9%	(124,000.0)	87,000.0	-40.4%	(59,000.0)
Sales and Services	38,944.5	7.9%	2,851.4	41,670.6	7.0%	2,726.1
Other Miscellaneous	189,651.8	6.9%	12,307.7	199,452.0	5.2%	9,800.2
Transfers and Reimbursements	61,127.0	0.9%	558.5	61,705.1	0.9%	578.1
Disproportionate Share Revenue	75,583.9	-0.4%	(269.6)	75,901.9	0.4%	318.0
Subtotal - Other Non-Tax	782,793.9	-10.8%	(95,095.1)	751,675.1	-4.0%	(31,118.8)
Net Ongoing Revenue	17,362,607.2	2.9%	493,366.1	18,110,285.8	4.3%	747,678.6
Urban Revenue Sharing (URS)	(1,396,167.2)	N/A	168,659.1	(1,297,701.4)	N/A	98,465.8
Net Ongoing Revenue w/ URS	15,966,440.0	4.3%	662,025.2	16,812,584.4	5.3%	846,144.4
One-Time Financing Sources:						
Water Infrastructure Repayment	0.0	N/A	0.0	0.0	N/A	0.0
Attorney General Settlement	0.0	N/A	0.0	0.0	N/A	0.0
Withholding Revenue Loss	0.0	N/A	0.0	0.0	N/A	0.0
TPT Diversions	0.0	N/A	0.0	0.0	N/A	0.0
Newly Enacted Tax Reductions	0.0	N/A	0.0	0.0	N/A	0.0
Other One-Time Revenue Changes	0.0	N/A	0.0	0.0	N/A	0.0
Subtotal - One-Time Financing Sources	0.0	N/A	0.0	0.0	N/A	0.0
Subtotal - Revenues	15,966,440.0	4.3%	662,025.2	16,812,584.4	5.3%	846,144.4
Balance Forward	259,350.5	-88.7%	(2,037,460.6)	0.0	-100.0%	(259,350.5)
Total - Resources	16,225,790.5	-7.8%	(1,375,435.4)	16,812,584.4	3.6%	586,793.9



Where's the Punch Bowl?

FAC

January 26, 2023

**Presented By:
Elliott Pollack
CEO, Elliott D. Pollack & Company**

 **Elliott D. Pollack & Company**
Court, Merritt, Pollack, & Stevenson

1



“The Federal Reserve...is in the position of the chaperone who has ordered the punch bowl removed just when the party was really warming up.”

William McChesney Martin, Chairman, Federal Reserve System

October 1955

 **Elliott D. Pollack & Company**
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2

2

**The Fed is now removing the
punch bowl because of high
inflation.
It will take a while and it will be
painful.**

The Party is Over



**This period can be summed
up in one word**

stagflation

Stagflation

- **STAGFLATION** – inflation and stagnant growth.
- This is where we are now.
- Think 1970's and early 1980's in the U.S. (as well as banana republics when inflation was left unchecked).
- High inflation is a tax on economic growth. So, growth slows.
- Real incomes decline. So, growth slows.
- Impact generally falls on all but mainly on lower and middle income households. So, growth slows.
- Tax increases could push impacts onto upper middle class as well. So, growth slows.
- Hampers ability of consumers and businesses to plan and/or invest long term. So, growth slows.

Are we in a Recession?

NOT YET BUT PROBABLY SOON

- NBER's Definition – A recession involves a significant decline in economic activity that is spread across the economy and lasts more than a few months.
- It is normally visible in real GDP, real income, employment, industrial production and wholesale/retail trade and there are other signs/indicators as well.

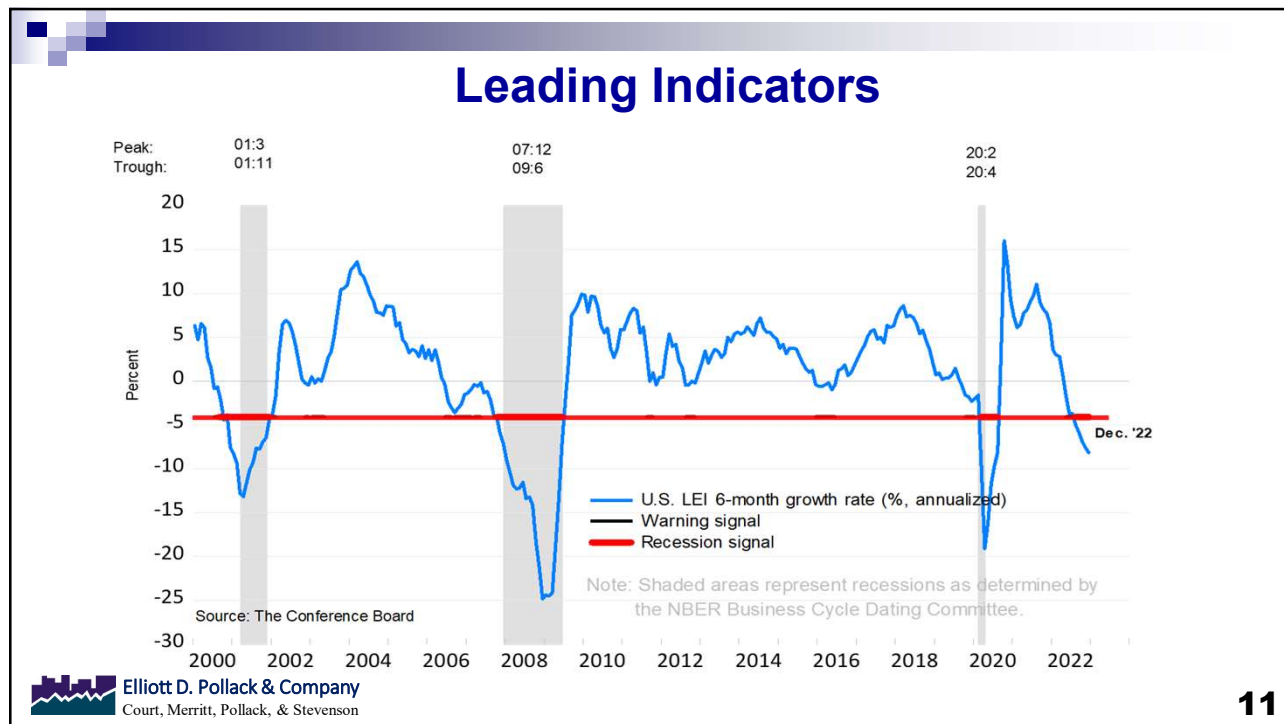
High Interest Rates

- High interest rates affect interest sensitive sectors the most. Other sectors are affected by the ripple effects of what goes on in interest sensitive sectors.
- The most interest sensitive sectors include:
 - Housing – especially for-sale housing
 - Commercial construction
 - Consumer durables spending such as autos
 - Business spending on plant and equipment as demand goes down and hurdle rates of return go up.
- High interest rates incent savings and less spending.
- Low Interest rates incent lending and spending.

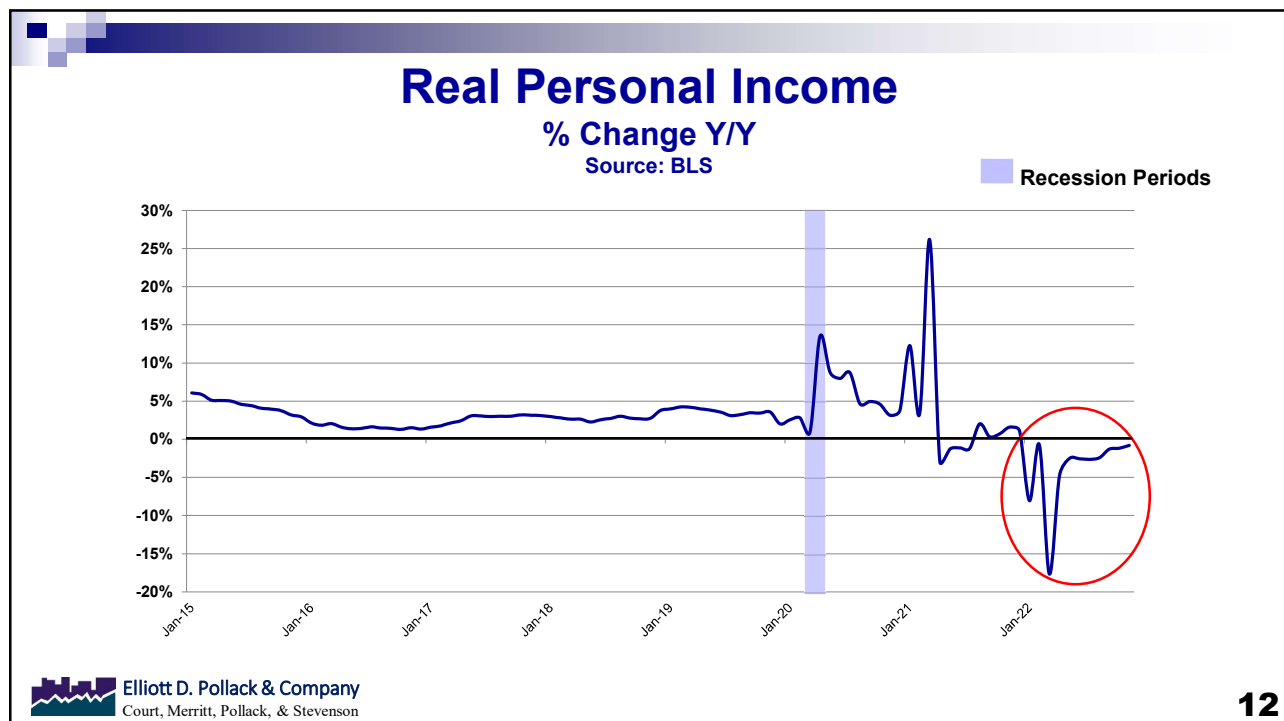
Where We Stand?

- We have never tried to induce a recession when there 10.5 million unfilled jobs and only 5.7 million unemployed.
- We have never tried to induce a recession when the federal government created a situation where consumer have \$2.5 trillion dollars more in cash than normal.
- **These things combined with supply chain issues will make the economy more difficult to slow than under normal circumstances.**
- **In addition, current Fed policy is not yet nearly as restrictive as the Fed is making out to be and fiscal policy is still too stimulative.**

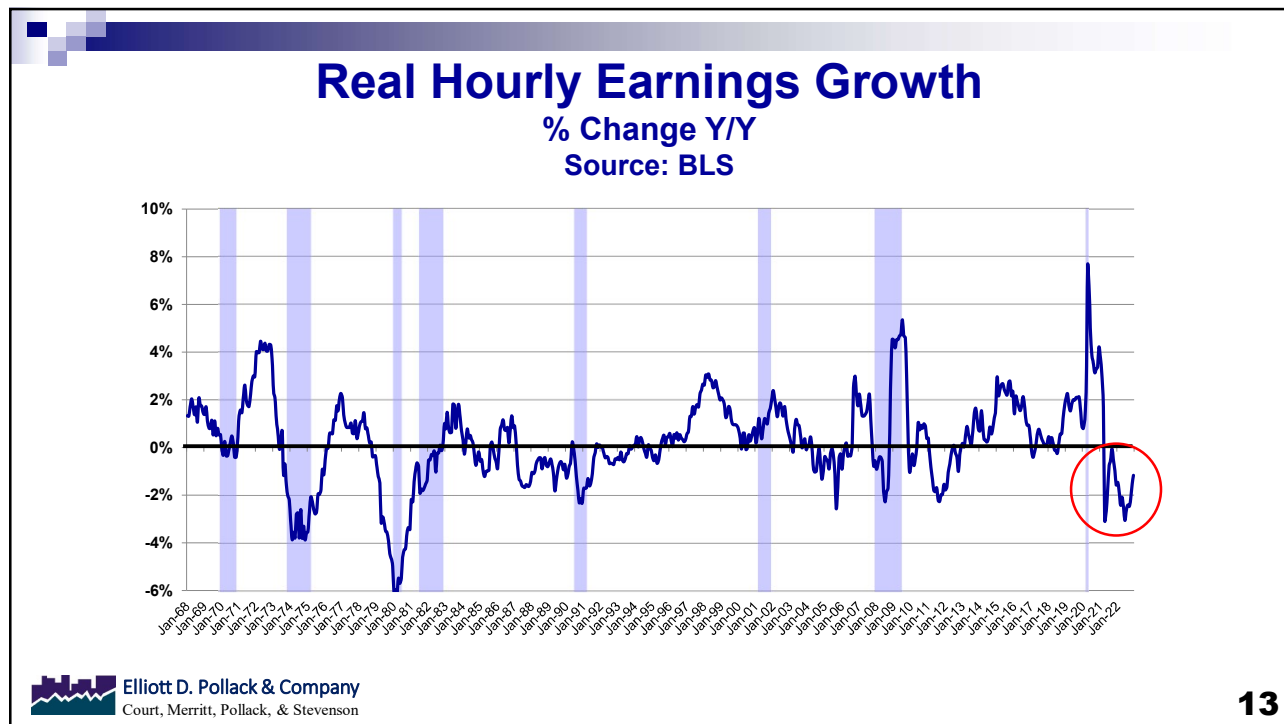
Any Issues?



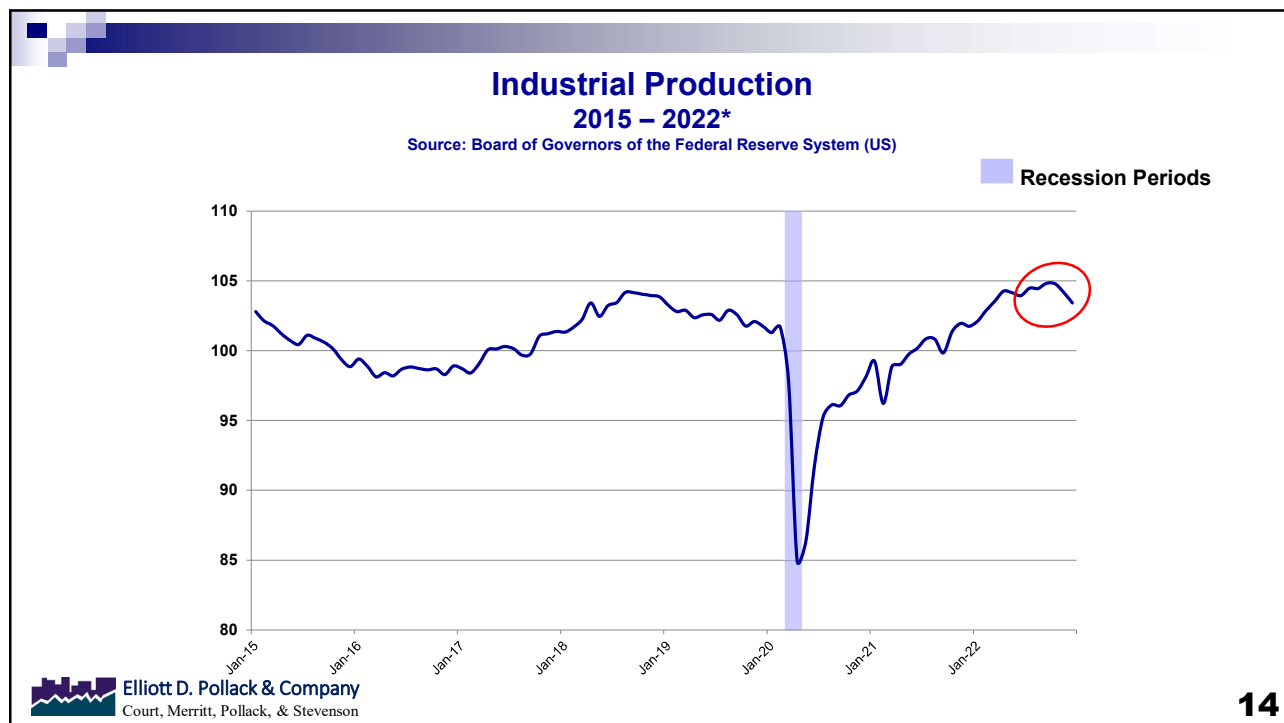
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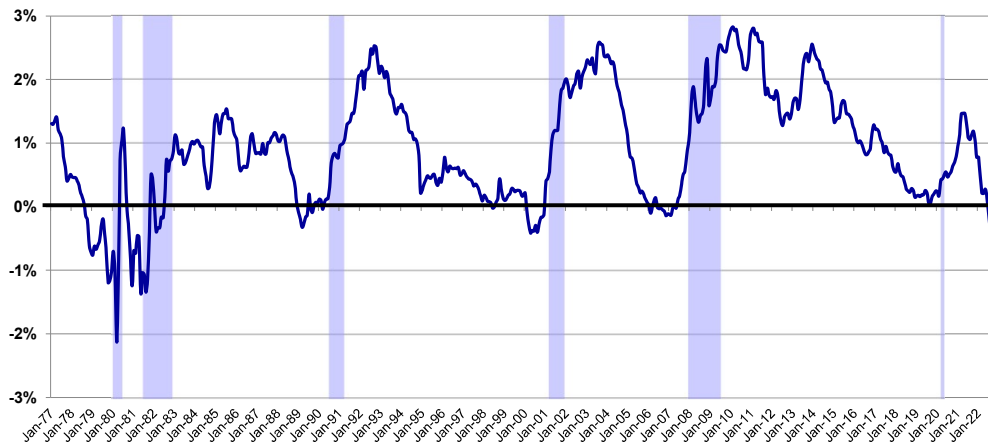
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Treasury Spread 10Year minus 2Year

Source: Federal Reserve



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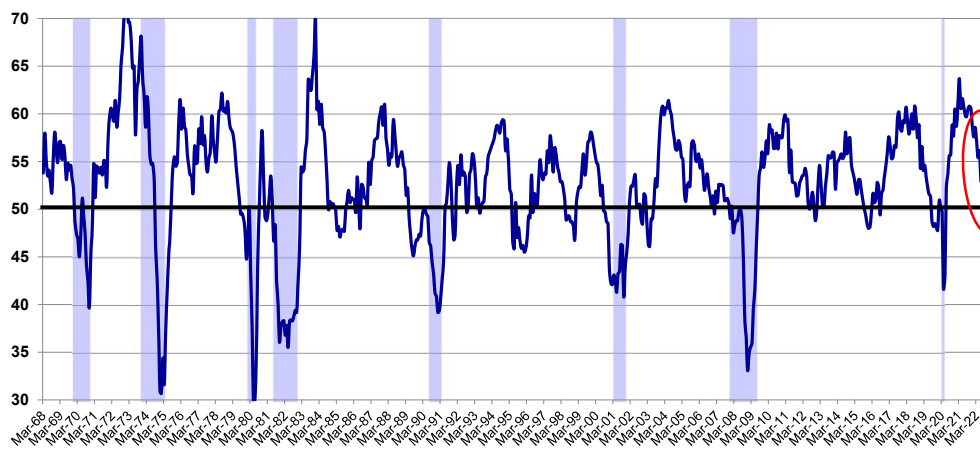
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ISM's Manufacturing PMI

1968 – 2022*

Source: ISM

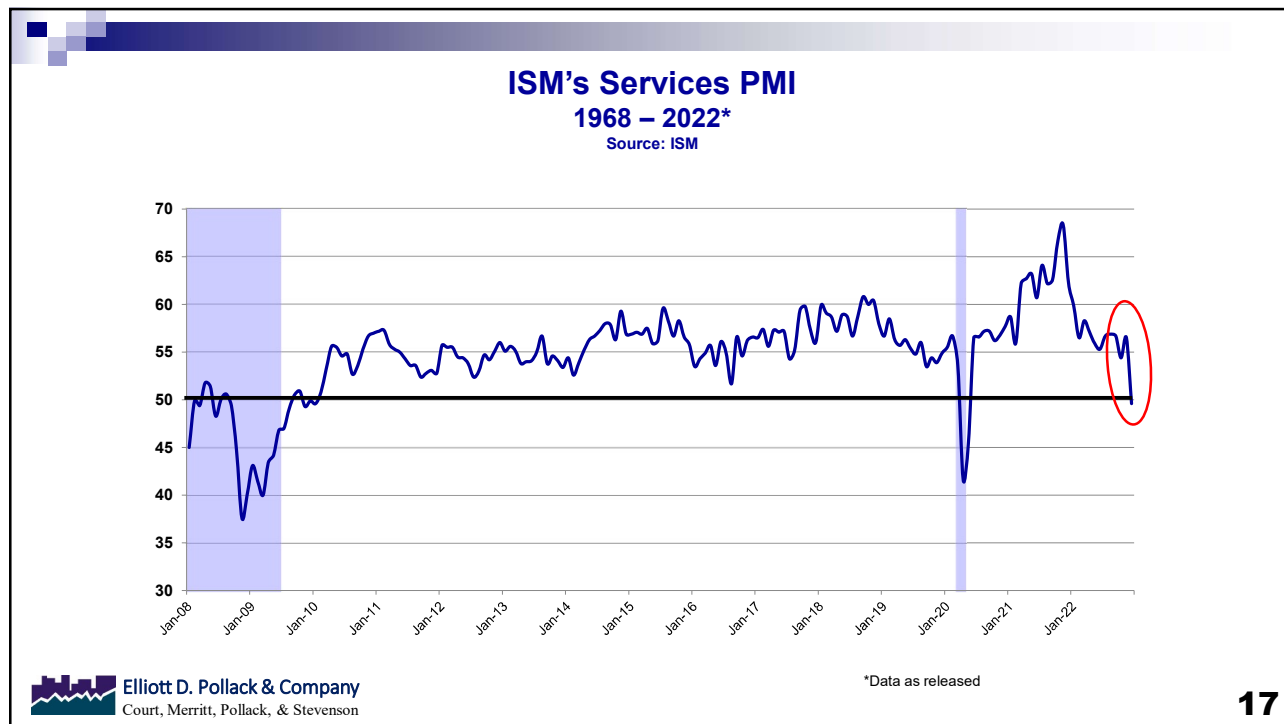


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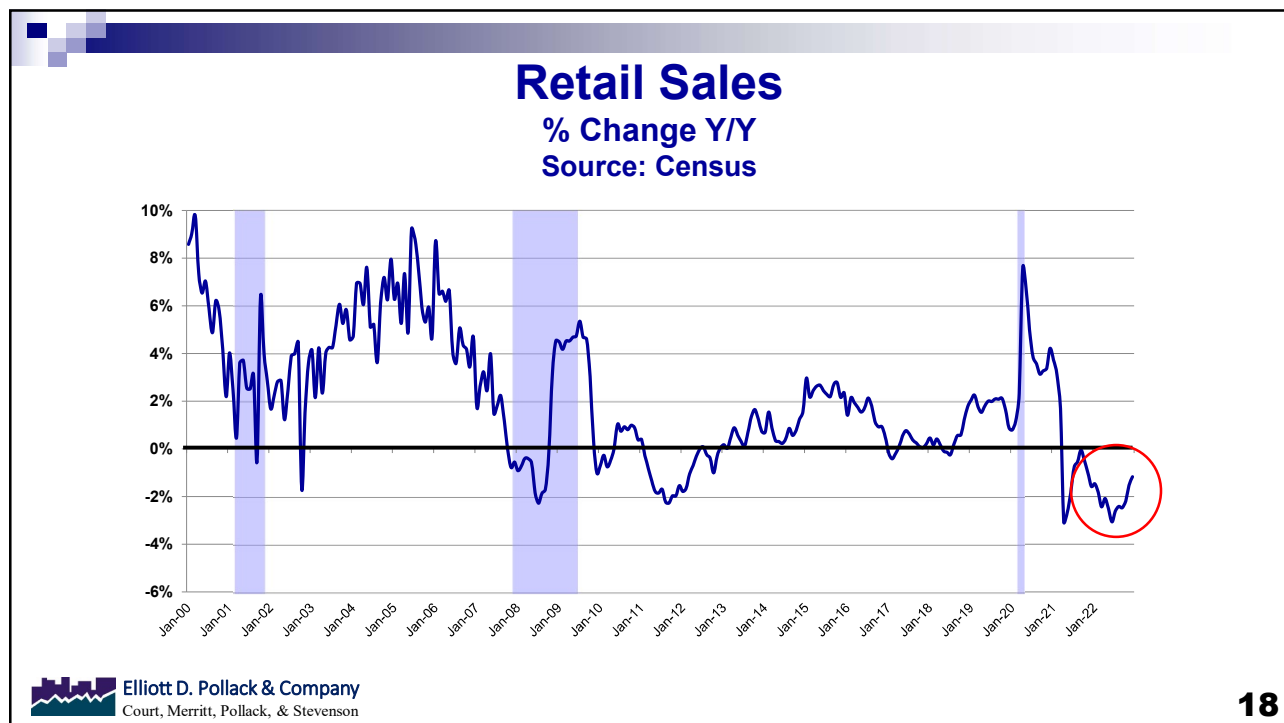
*Data as released

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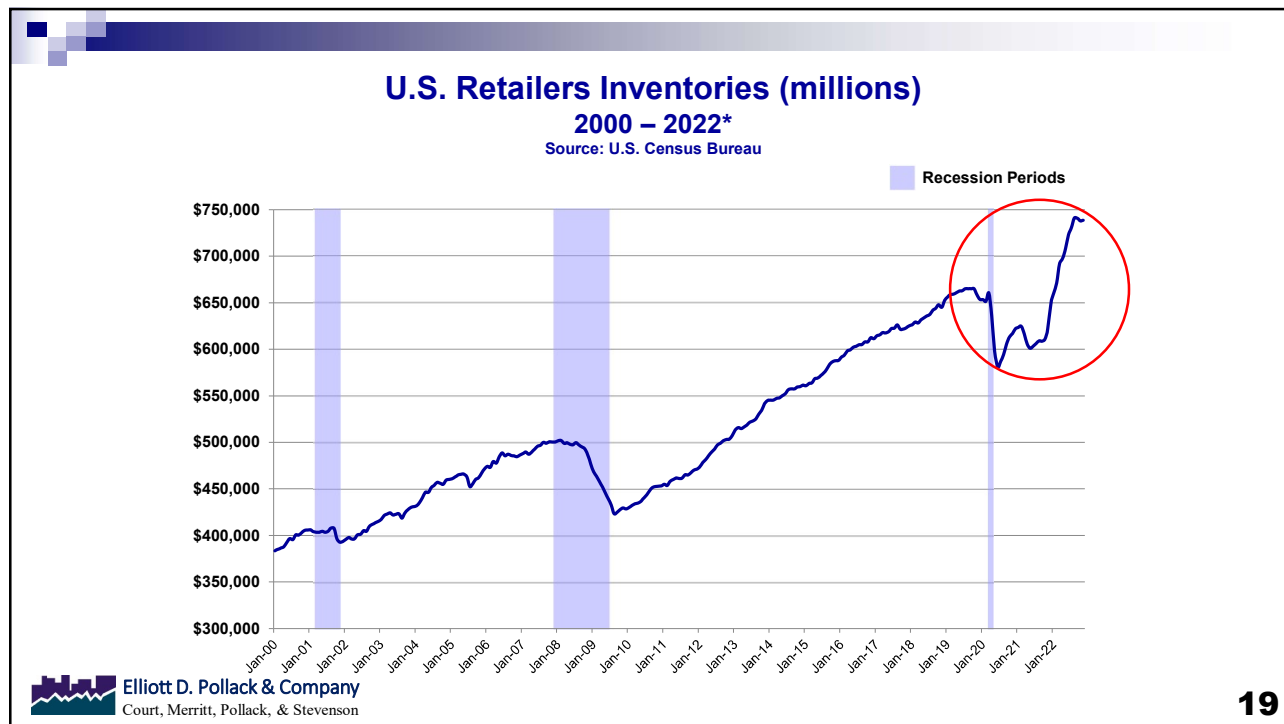
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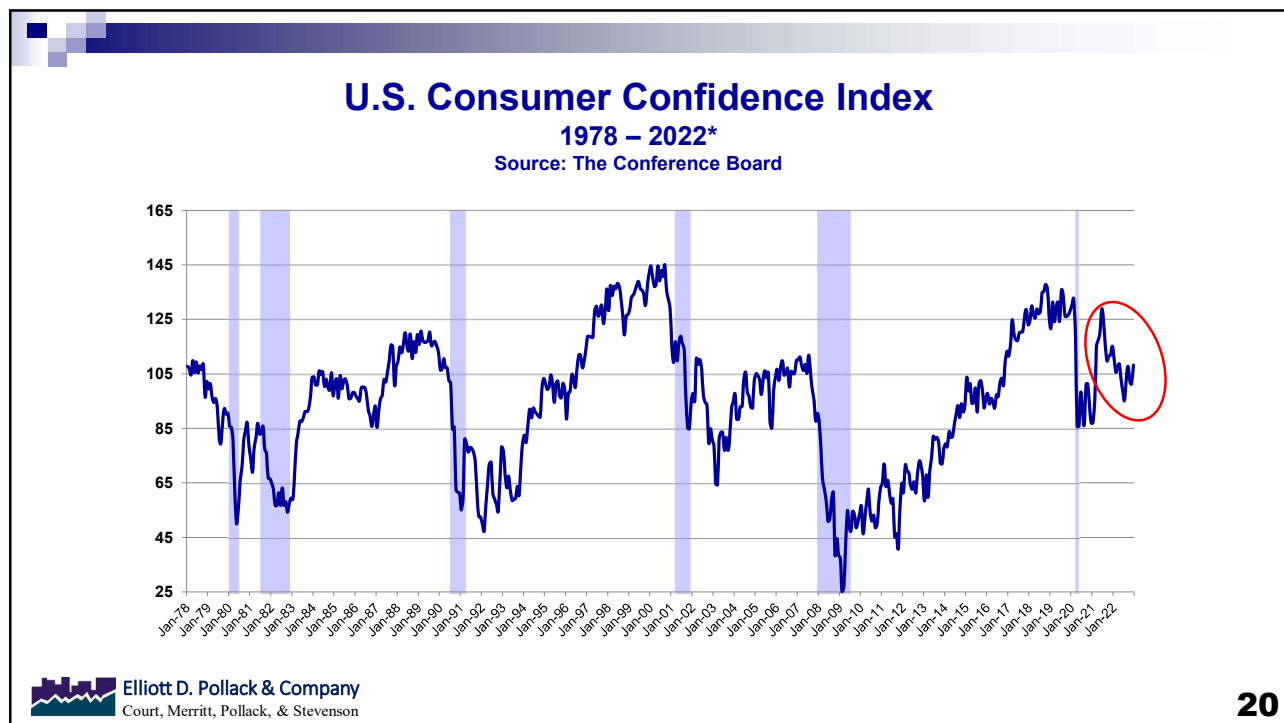
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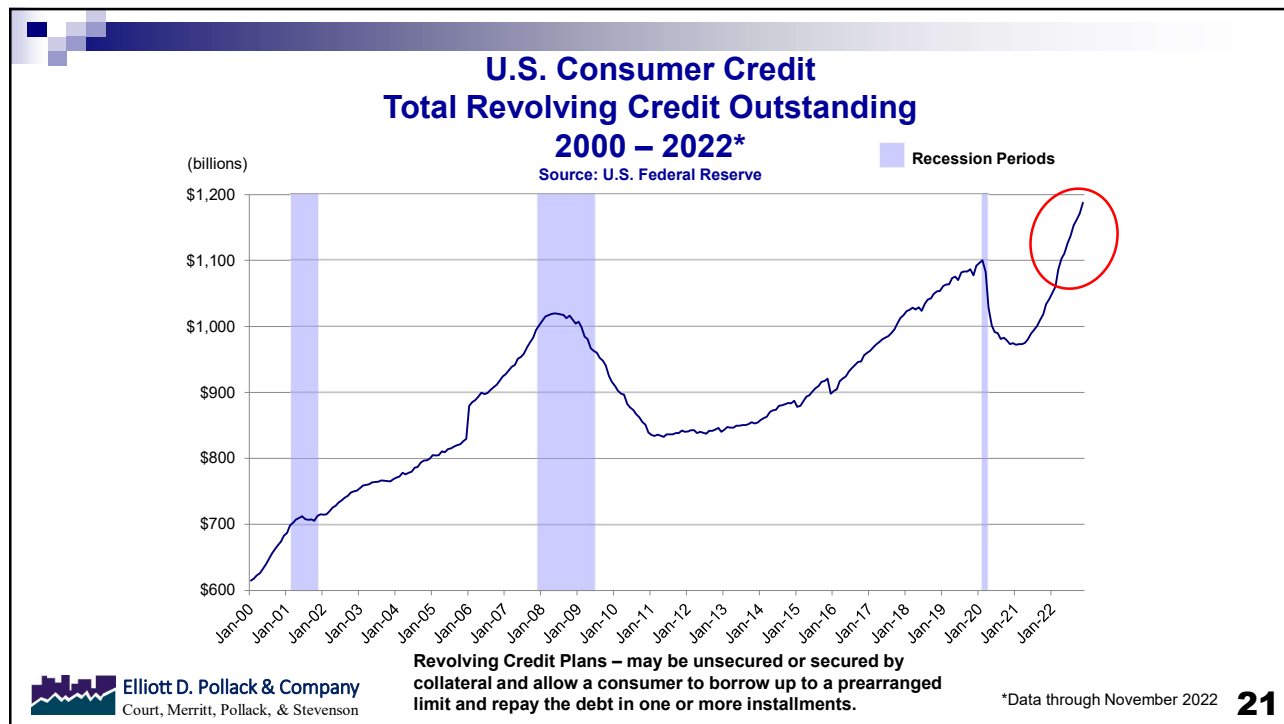
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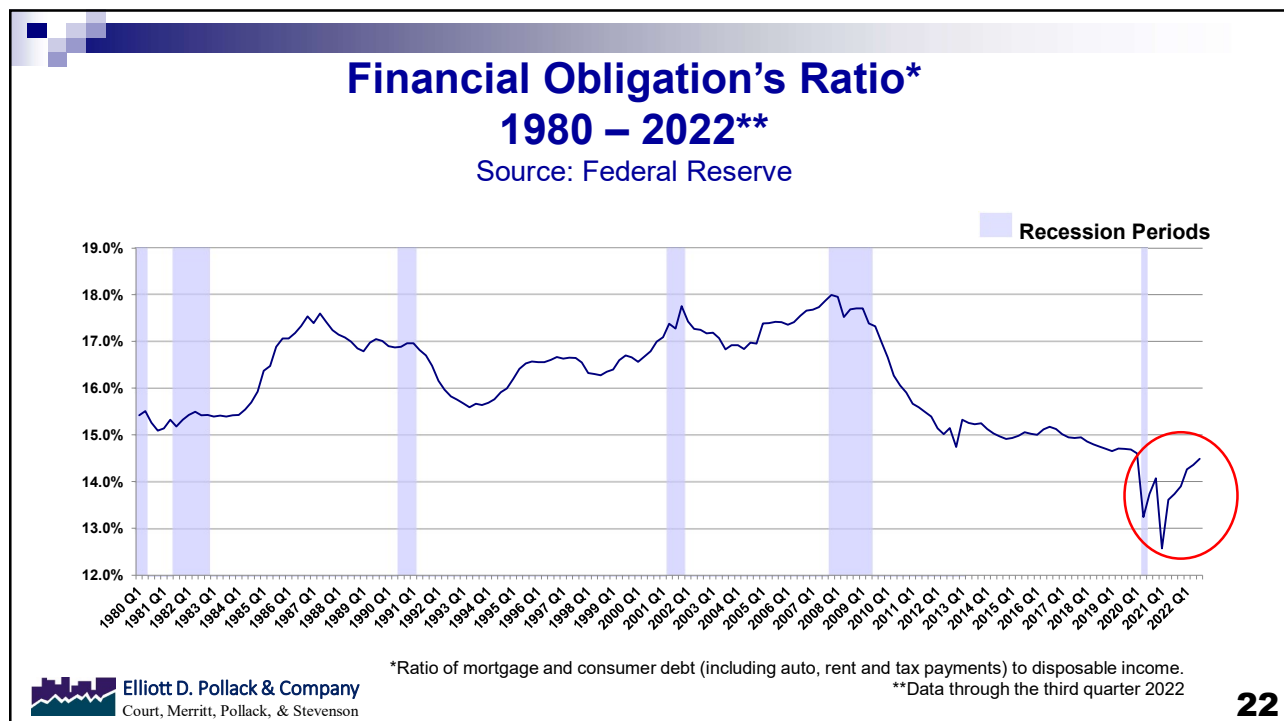
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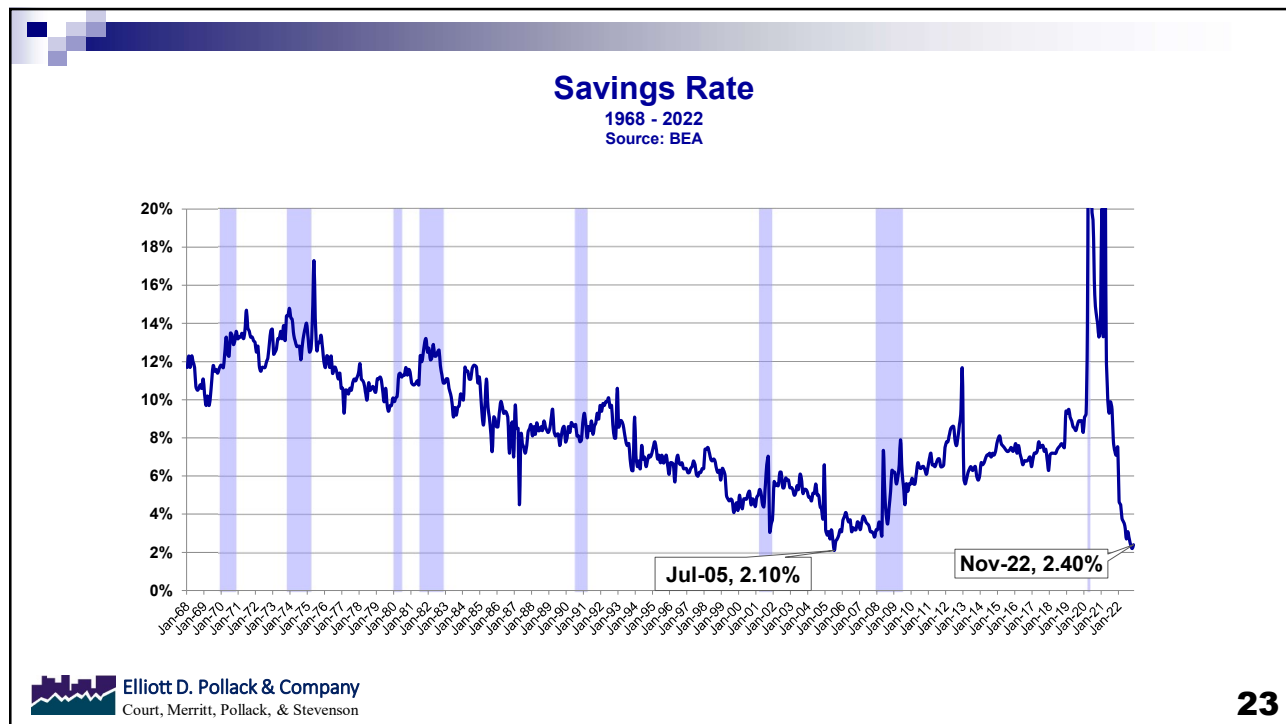
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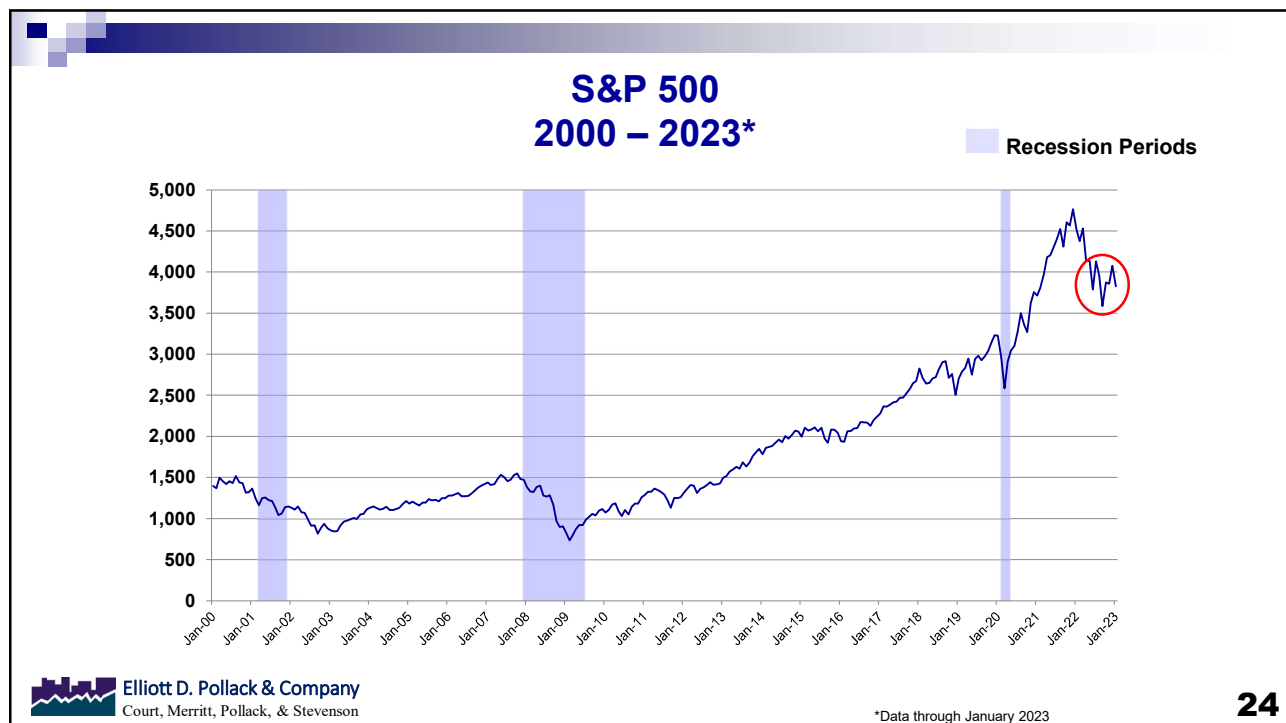
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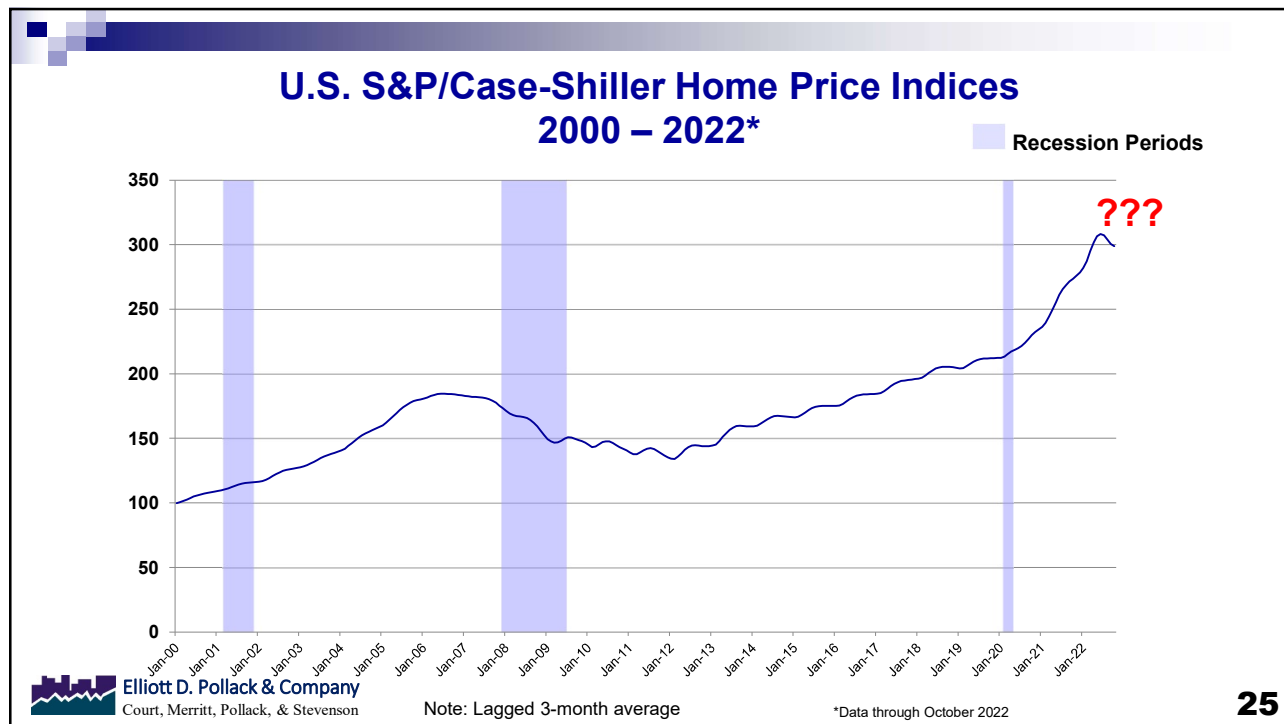
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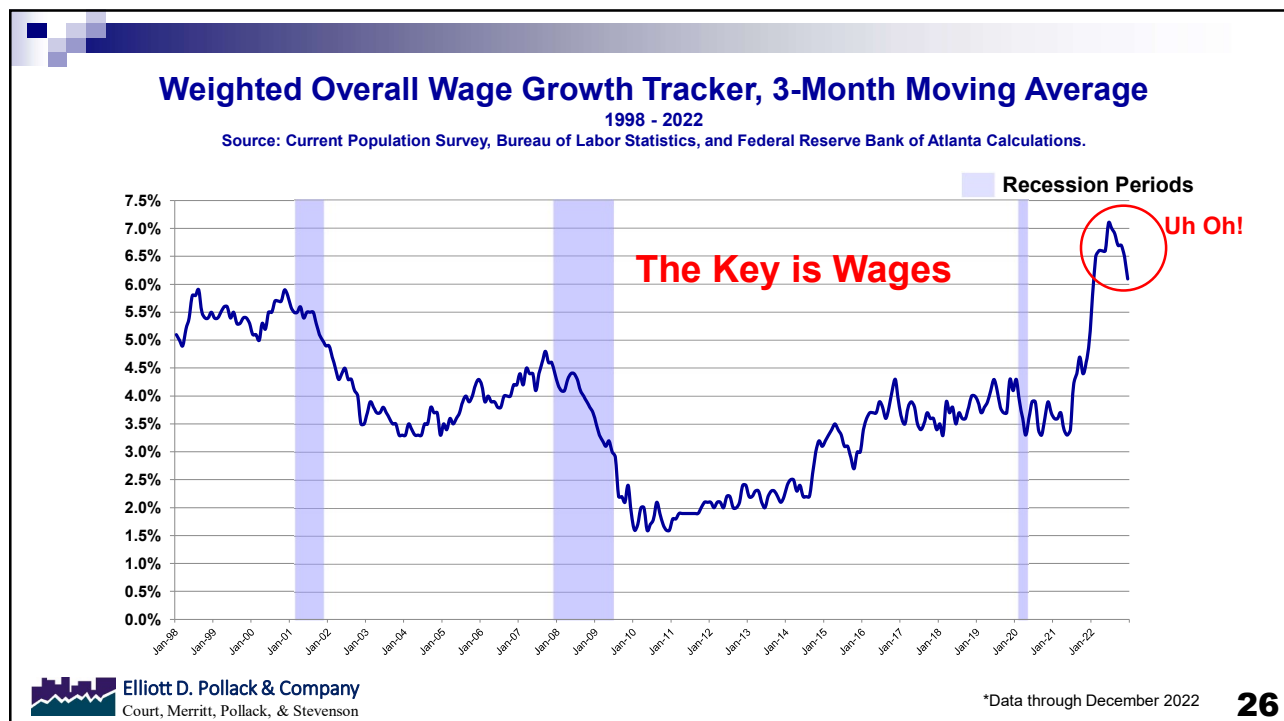
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Real GDP Forecast Blue Chip Economic Indicators (Jan 2023)

Year	2023	2024
Average	0.5%	1.2%
Top 10	1.5%	2.0%
Bottom 10	-0.3%	0.2%

The average annual growth rate between 2010-2019 was 2.3%

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How are we doing?

- People are nervous because they see a significant decline in purchasing power.
- They see real wages declining.
- They are pummeled by negative economic headlines everyday.
- They are concerned about housing and stock prices going down.
- **Overall, people are nervous. When people are nervous, they pull back.**
- **The pull back has been muted by high levels of cash and a continued strong job market.**

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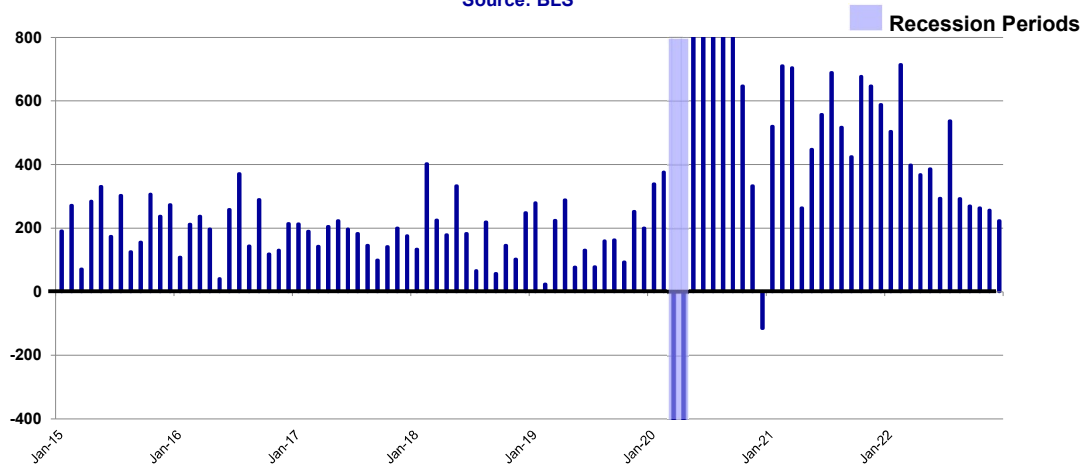
Jobs

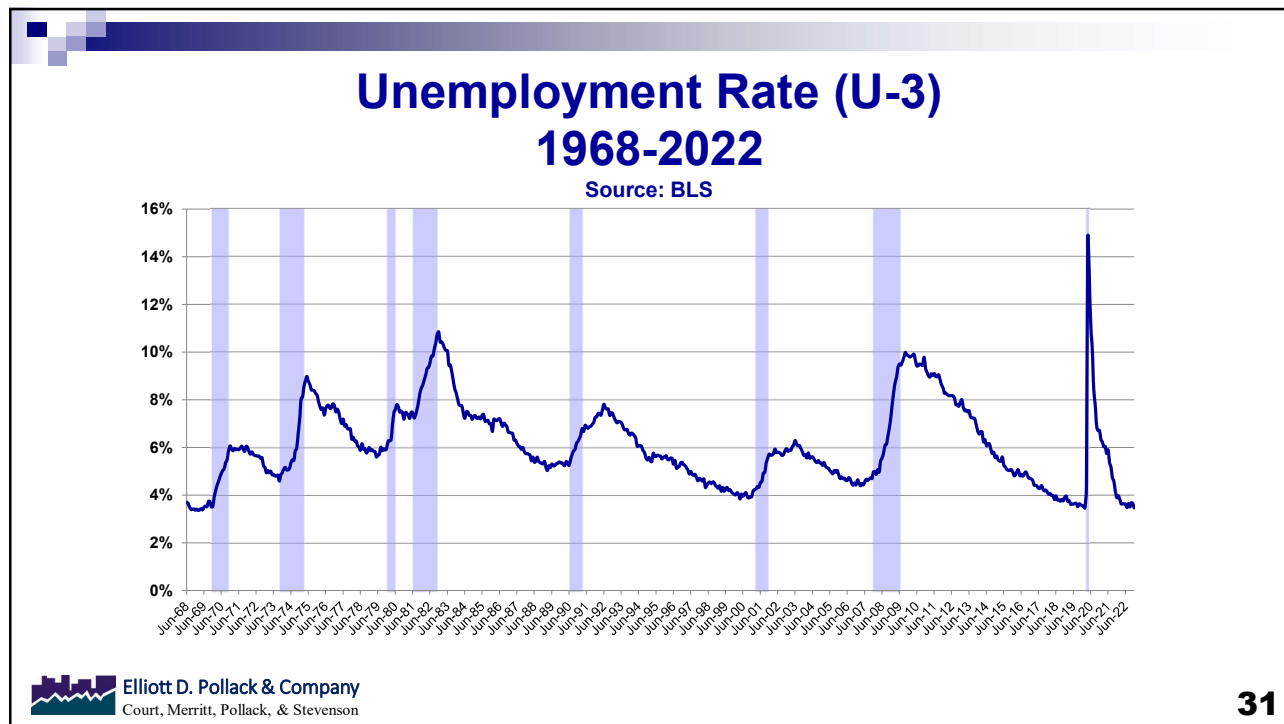


We are at the beginning of the disruptions.

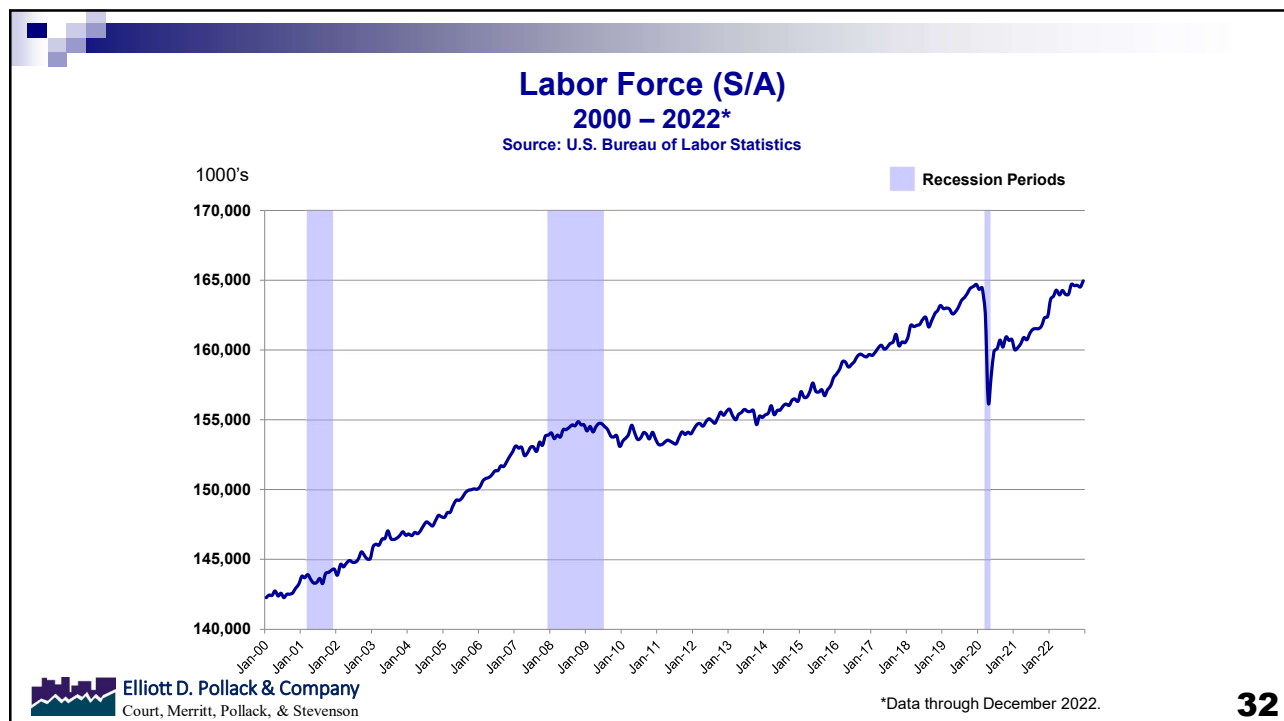
Total Non-farm Employment

Net Change
Source: BLS





31



32

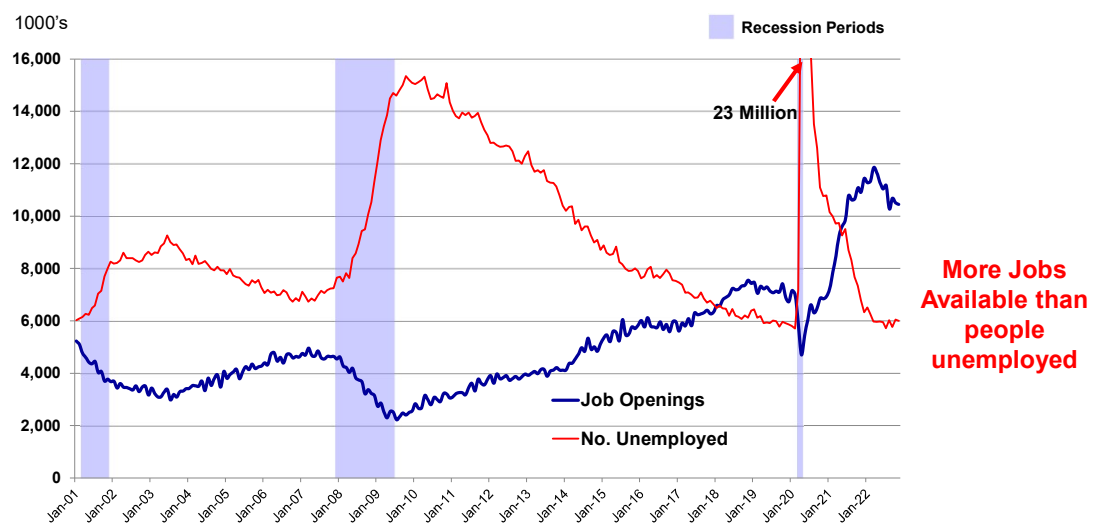
Labor Force Growth?

- Baby Boomers retired early or did not return to work after COVID.
- Childcare costs and availability.
- Senior care costs and availability.
- Being paid not to work.

33

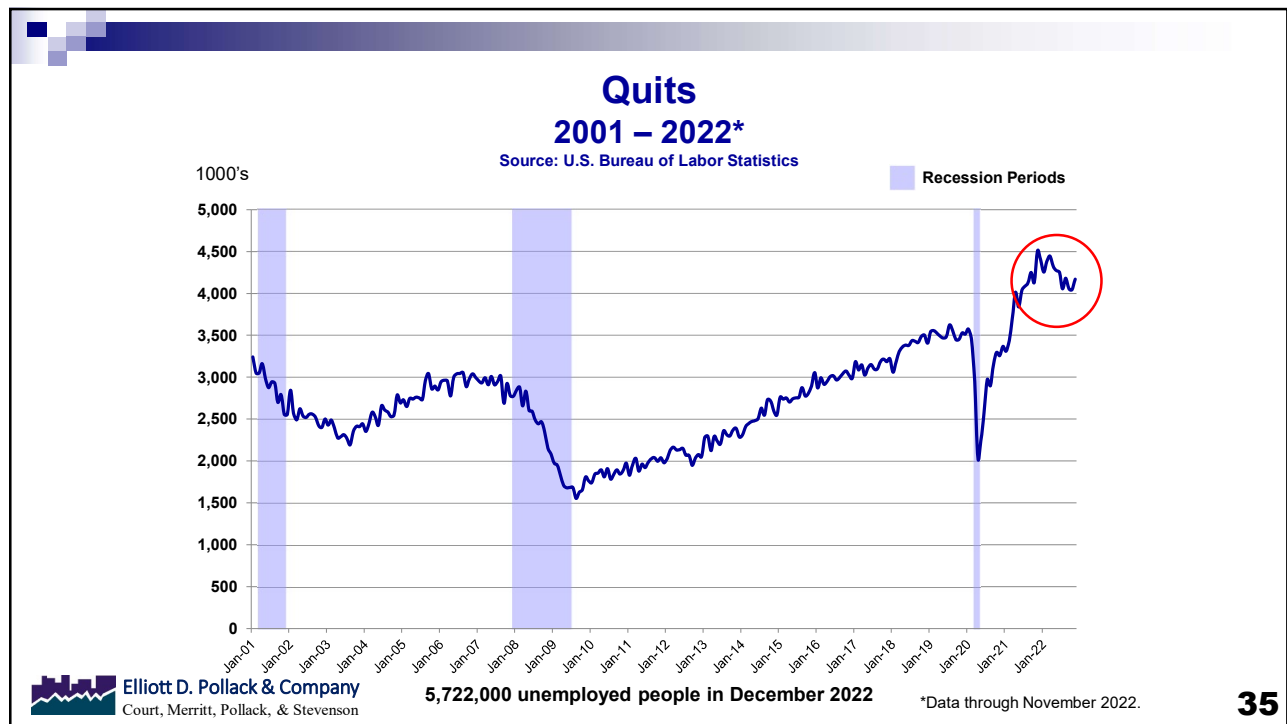
Job Openings and No. Unemployed 2001 – 2022*

Source: U.S. Bureau of Labor Statistics

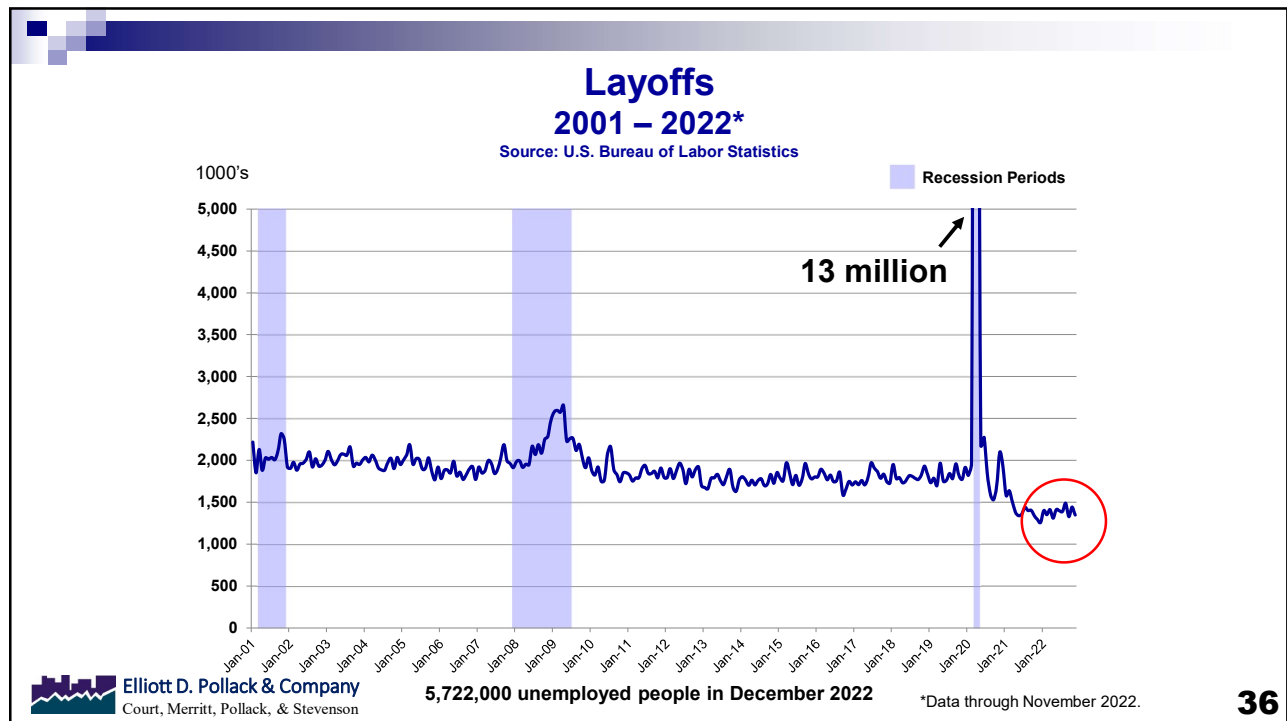


*Data through November 2022.

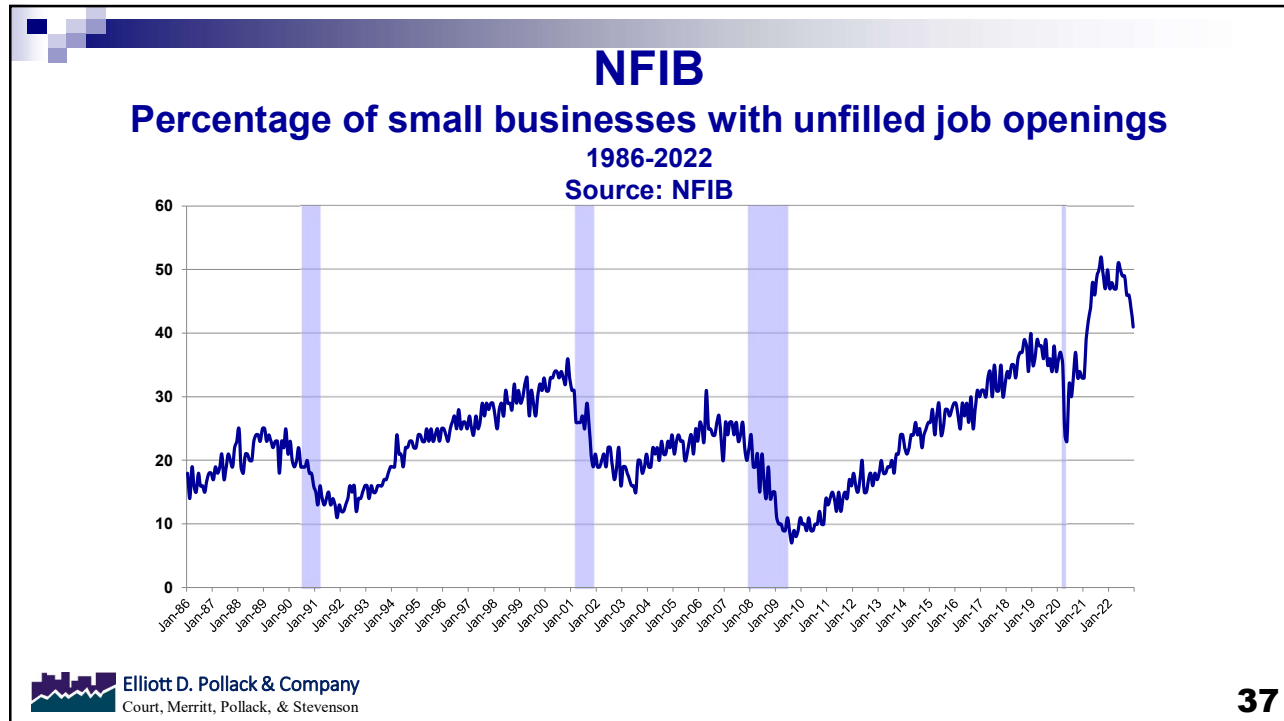
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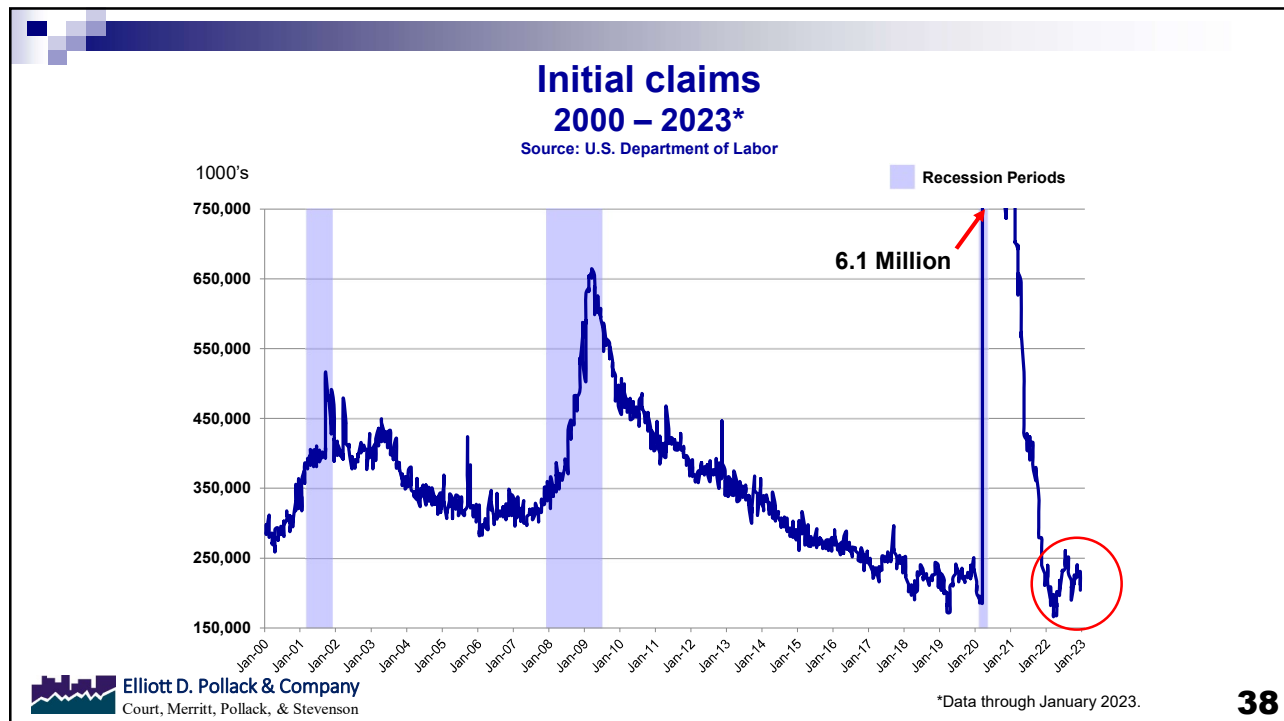
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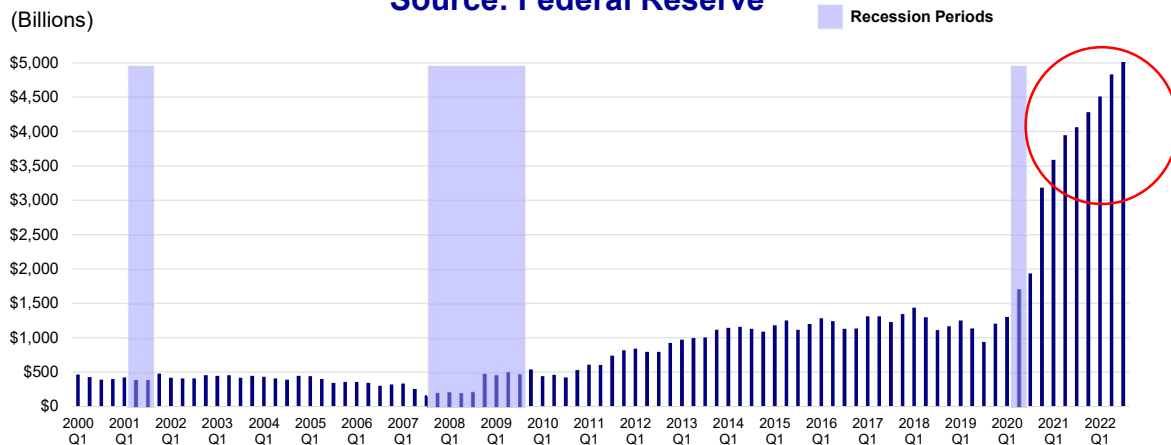


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**This bright employment picture
could quickly deteriorate as
consumers and business are forced
to cut back.**

Checkable Deposits and Currency of Households and Nonprofit Organizations

Source: Federal Reserve



Excess Cash

- This excess cash will dissipate as the cost of necessities continues to rise.
- As the cash dissipate, consumer will cut back on discretionary spending and non-discretionary spending to extent possible.
- The lower the income, the more you will be affected.

Monetary Policy



Arthur Burns
Did Not Finish The Job



Paul Volcker
Finished the Job



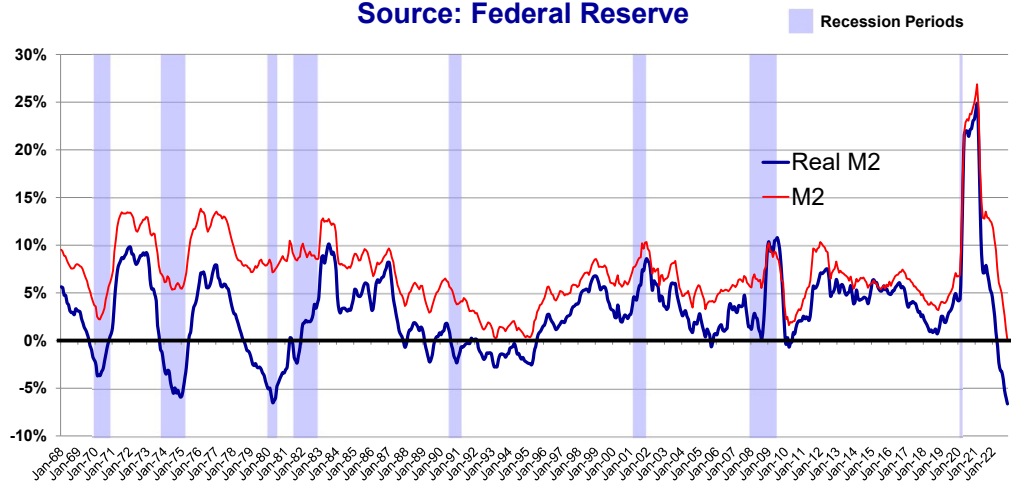
Jerome Powell
To-be-determined

What's different 70's-80's and Now?

- We have not been in a period of high inflation for forty years.
- In the 1970's, the Fed let inflation get out of control.
- Inflation was high and intermittingly rising (mostly well above 6%) from 1973 through 1982.
- Inflation declined but stayed high by today's standards throughout the 80's.
- Inflation this time around has been high for only the last six quarters.
- Therefore, it was much more ingrained in the economy last time around than this time.
- Therefore, it should be a "quicker" fix.
- Yet, despite the fact that M2 growth has slowed, real interest rates are still at levels that historically are very stimulative and fiscal policy remains too stimulative.
- To have experienced high extended inflation as an adult, you have to be 70 years old today. That's why its unfamiliar to most people.

Real M2 & Nominal M2 % Change Y/Y

Source: Federal Reserve



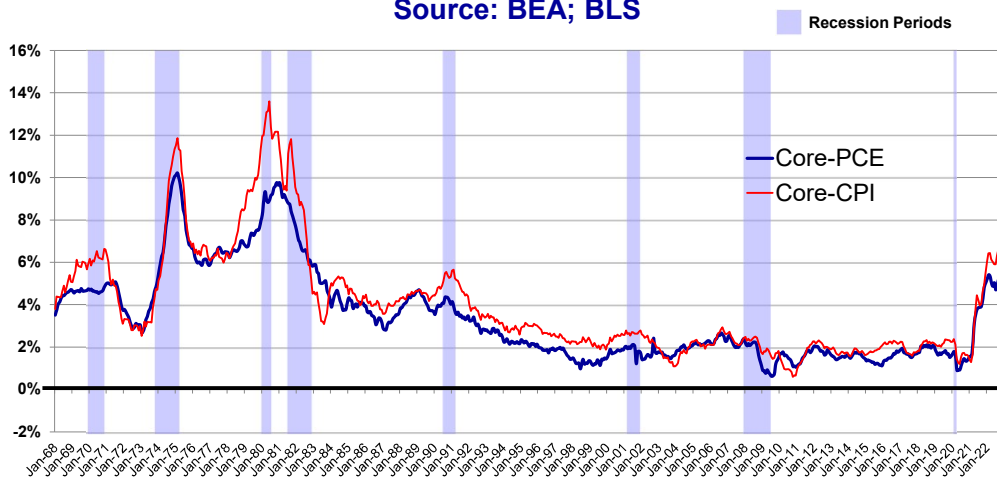
Miscellaneous Thoughts on Inflation

- In 2012 the Fed chose 2% as the target rate for inflation.
- 2% inflation was the exception not the rule until 1994.
- Is the current rate of inflation overstated?
 - Yes, but mainly in CPI.

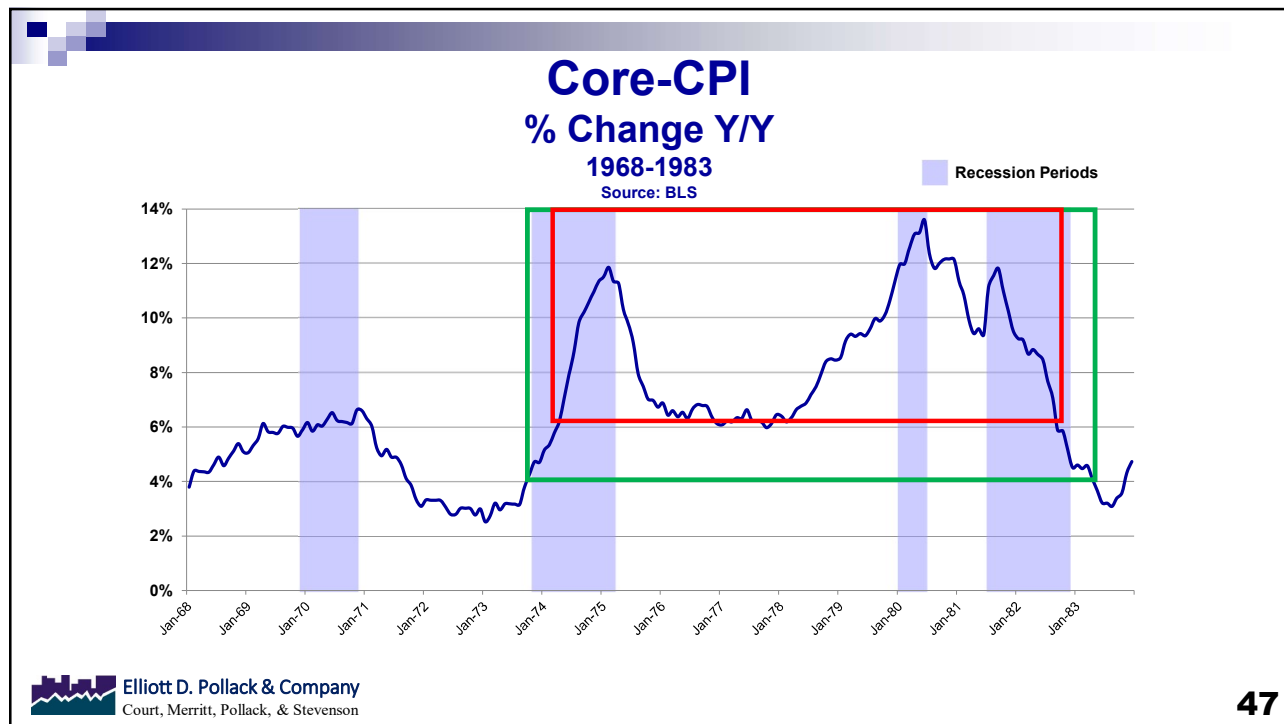
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Core-PCE and Core-CPI

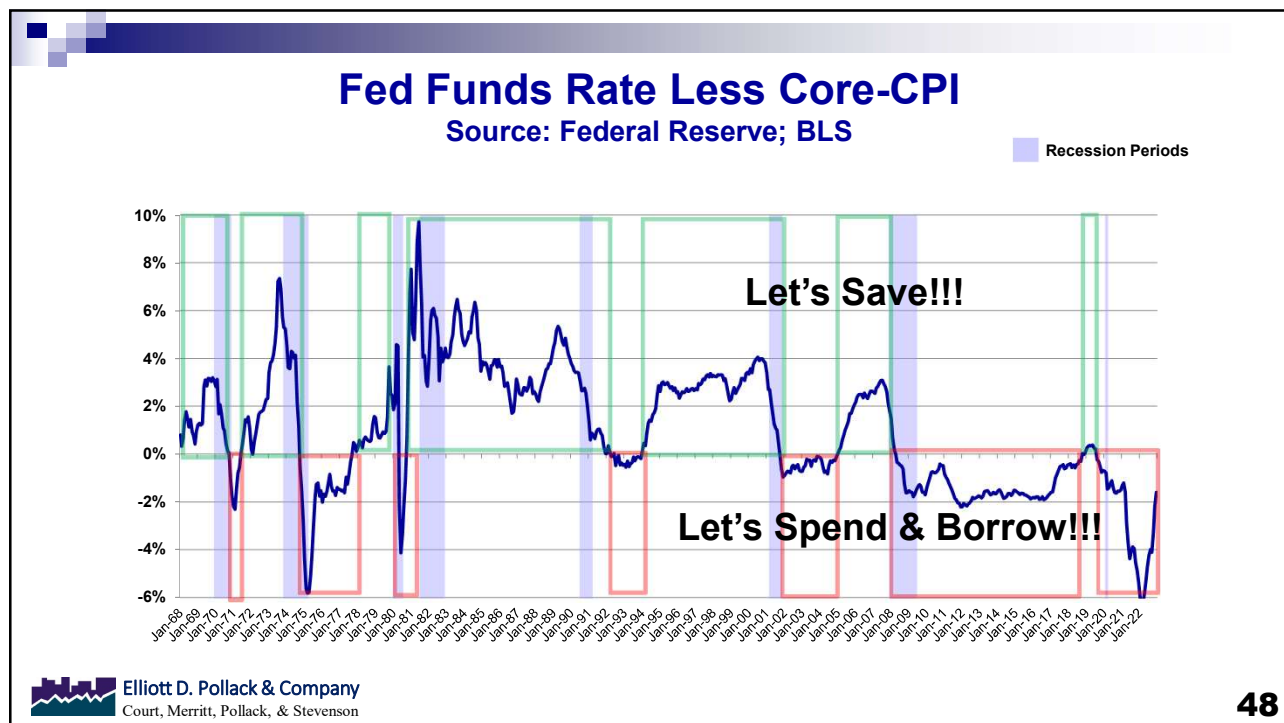
% Change Y/Y
Source: BEA; BLS



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What will the Fed Do?



Negative Interest Rates

- Higher interest rates are a normal policy response to high and/or rising inflation.
- Low or negative real interest rates incentivize lending and borrowing by businesses and consumers.
- High real interest rates incentivize savings and hoarding and, therefore, slow economic activity. Hurdle rates of return have to go up.
- When the Fed wanted to incentivize lending and borrowing to spur economic activity it kept real interest rates low or negative.
- Historically when the Fed wanted to de-incentivize lending and borrowing it kept real interest rates high.

Negative Interest Rates

- The Fed kept real interest rates low for a long time following the Great Recession (2007 on) in order to incent economic activity.
- Finally, the economy became stable enough so that real interest rates rose. But, then the Covid economic lockdown occurred and real rates became negative again.
- We are now in a period when the Fed needs to slow economic activity.
- This suggests that the fed funds rate has a way to go on the upside to get the real fed funds rate to levels historically associated with slowing the economy.
- So, real rates are likely to go higher.

Have a nice day!



Change in Fed's Policy

- **Quantitative Easing (QE)**
 - The Fed purchases securities from the open market to reduce interest rates and increase money supply.
 - This provides banks with more liquidity and encourages lending and investment.
- **Quantitative Tightening (QT)**
 - The Fed shrinks its reserves by selling treasuries, other instruments or by letting treasuries mature thereby removing liquidity or money from financial markets.

Quantitative Tightening

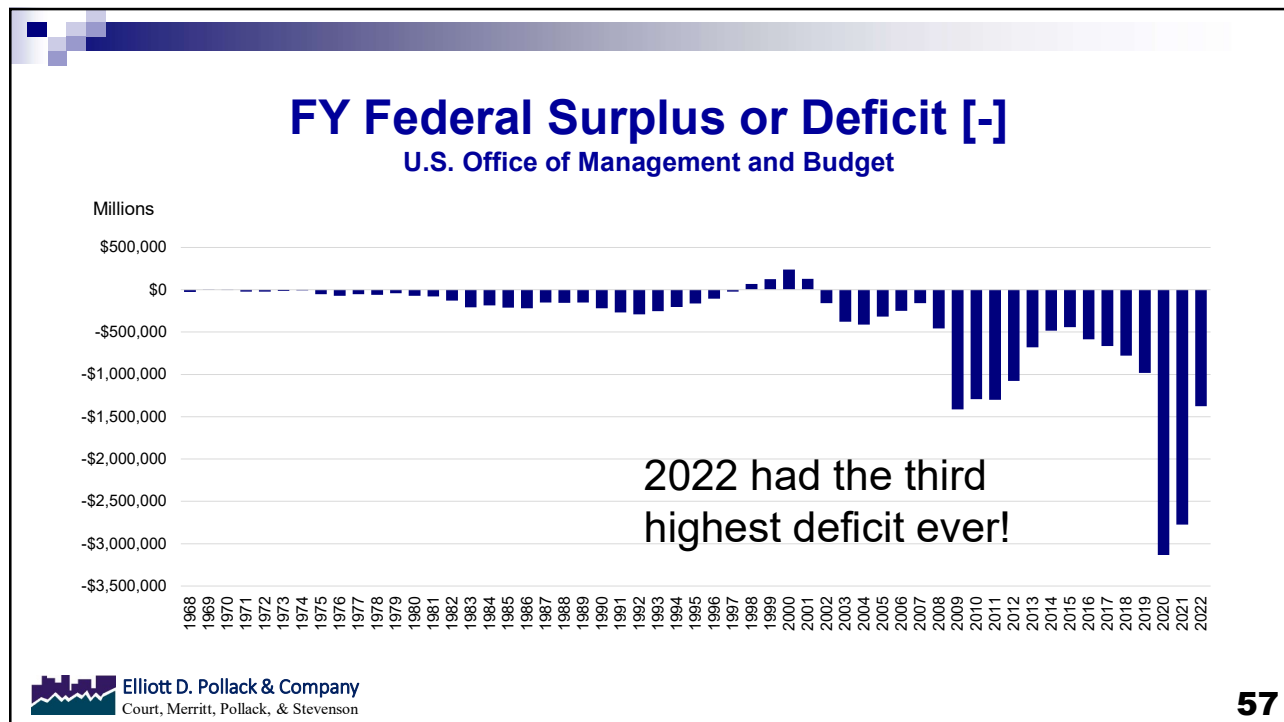
- The Fed just doubled the pace of Treasuries runoff to \$60 bil per month and mortgage backed securities run of is at \$35 bil per month.
- Will it work? It will work until it doesn't.
- Will a liquidity issue occur as the Fed tightens? No one knows....including the Fed.
- We are in uncharted waters. This creates significant risk.

Quantitative Tightening

- The Fed has now gone from a long period of QE to a period of QT.
- The Fed is doing two things at once: Raising rates and going from QE to QT.
- One that it hasn't done to the extent necessary in 40 years. (raising rates to slow the rate of inflation)
- The other has only been done in a limited basis. (significant quantitative tightening)

Fiscal Policy is Counter Productive

- Incentives matter.
- Increased taxes and tougher regulation will clearly result in slower long-term growth.
- President Biden approved the student-loan forgiveness program and congress approve Inflation Reduction Act. Regardless of how you feel about those programs, they are design to expand consumer's spending power. Thus, the programs increase demand.
- The increase in demand comes at a time the Fed is trying to slow demand to reduce upward pressure on prices.
- These and other moves by the Biden administration make it tougher for the Fed to accomplish its goal.



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Additionally,

- We need to
 - Rearm
 - Restock
 - Reshore

How do we do this?

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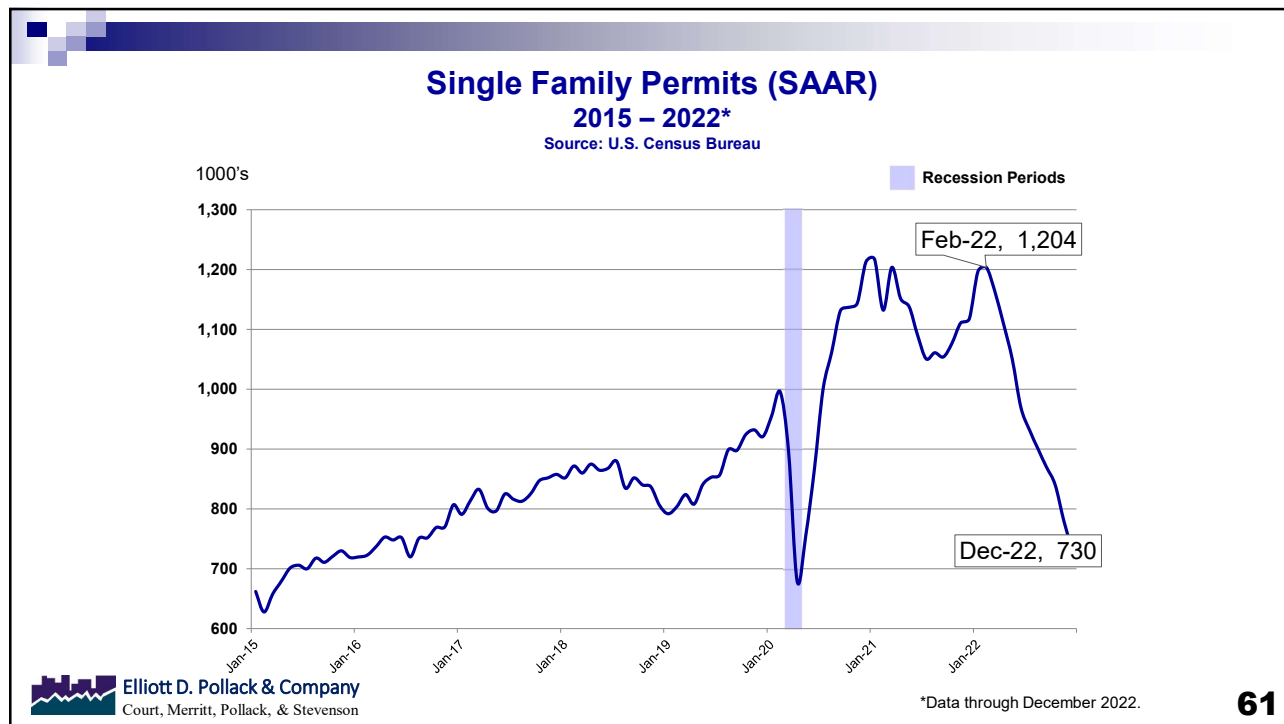
58

Housing

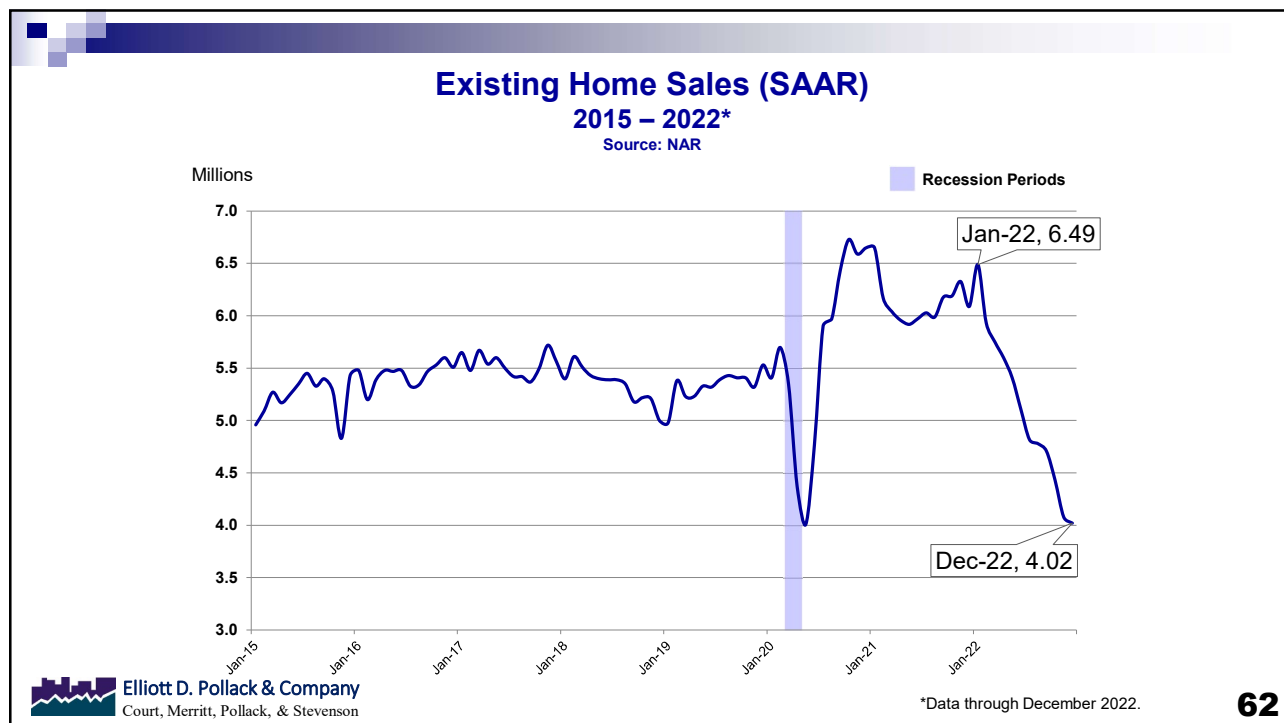


How the Fed's changes have affected housing?

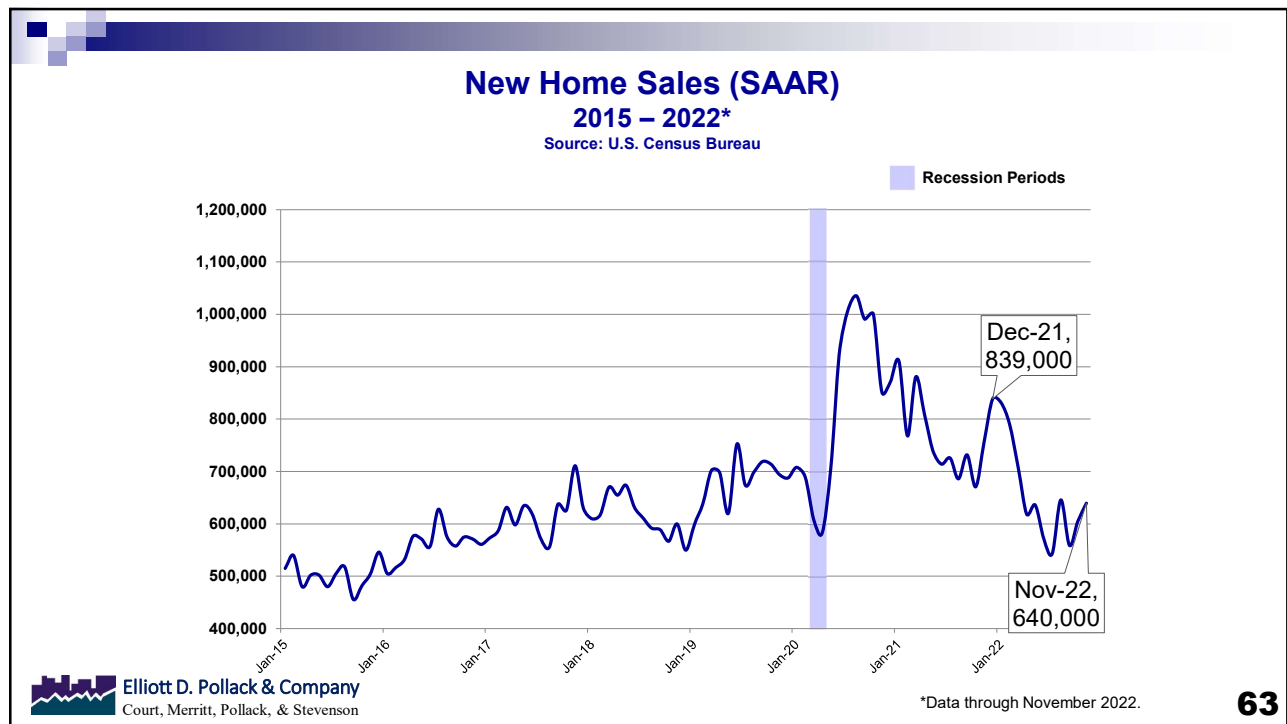




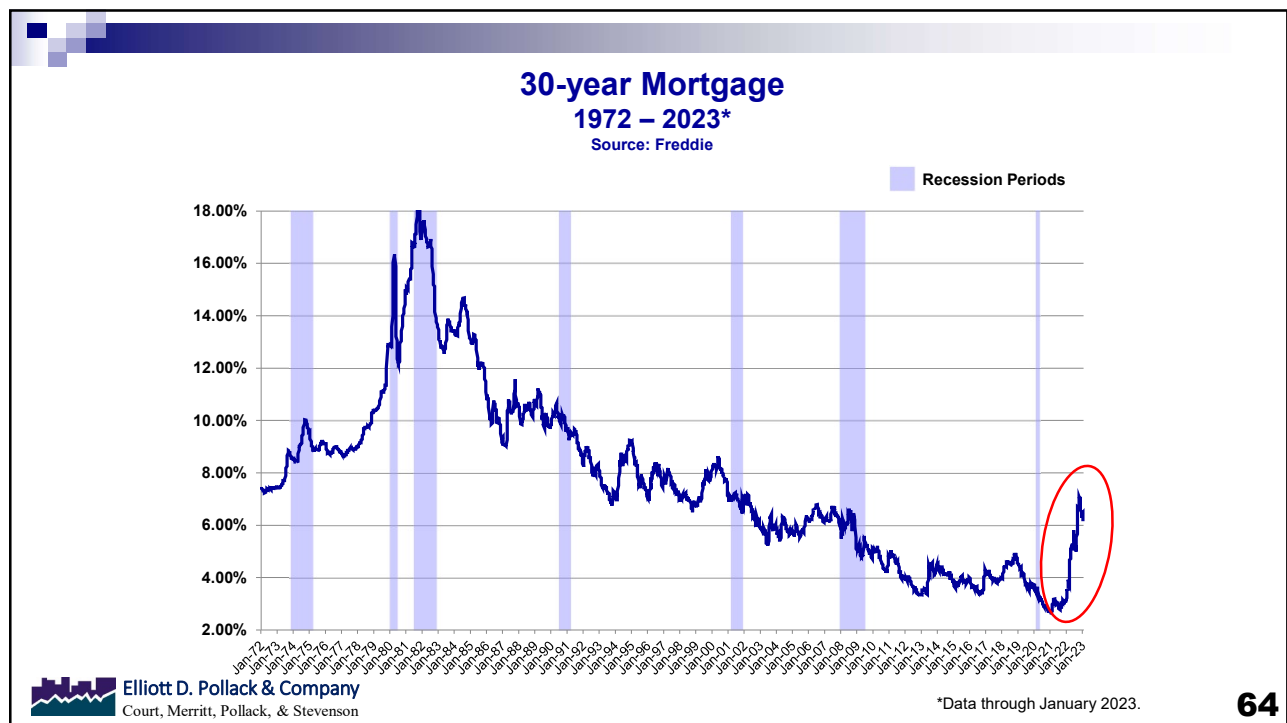
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Mortgage Payment Change

Source: Freddie; U.S. Census; NAR
10% down payment

	November 2010	November 2015	November 2020	November 2021	November 2022
Median Sales Price - New	\$219,600	\$312,600	\$350,800	\$430,300	\$471,200
Median Sales Price - Existing	\$170,200	\$220,000	\$310,800	\$358,200	\$370,700
Mortgage Rate Only	4.30%	3.94%	2.77%	3.07%	6.81%
Interest & Principal - New	\$978	\$1,334	\$1,291	\$1,647	\$2,766
Interest & Principal - Existing	\$758	\$939	\$1,144	\$1,371	\$2,176

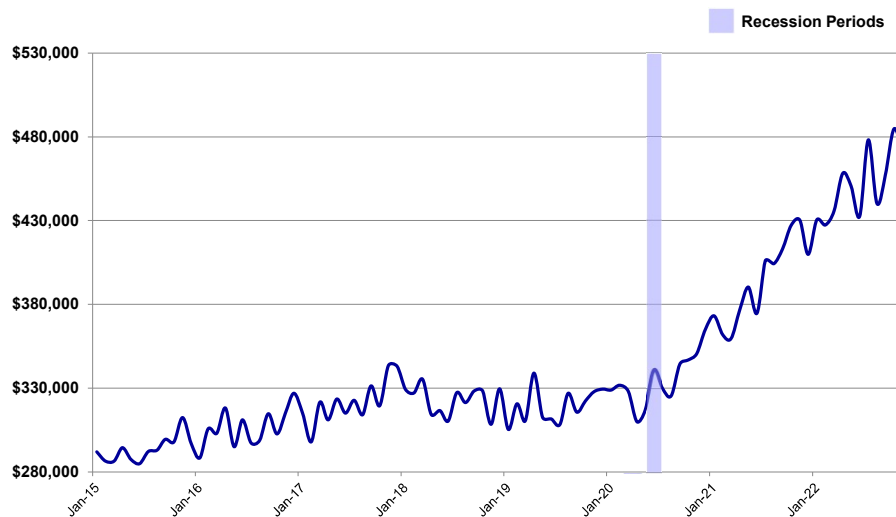
The monthly payment for the same house increased 68% for new home and 58.7% for an existing home between November 2021 and November 2022
Note: 90% LTV

65

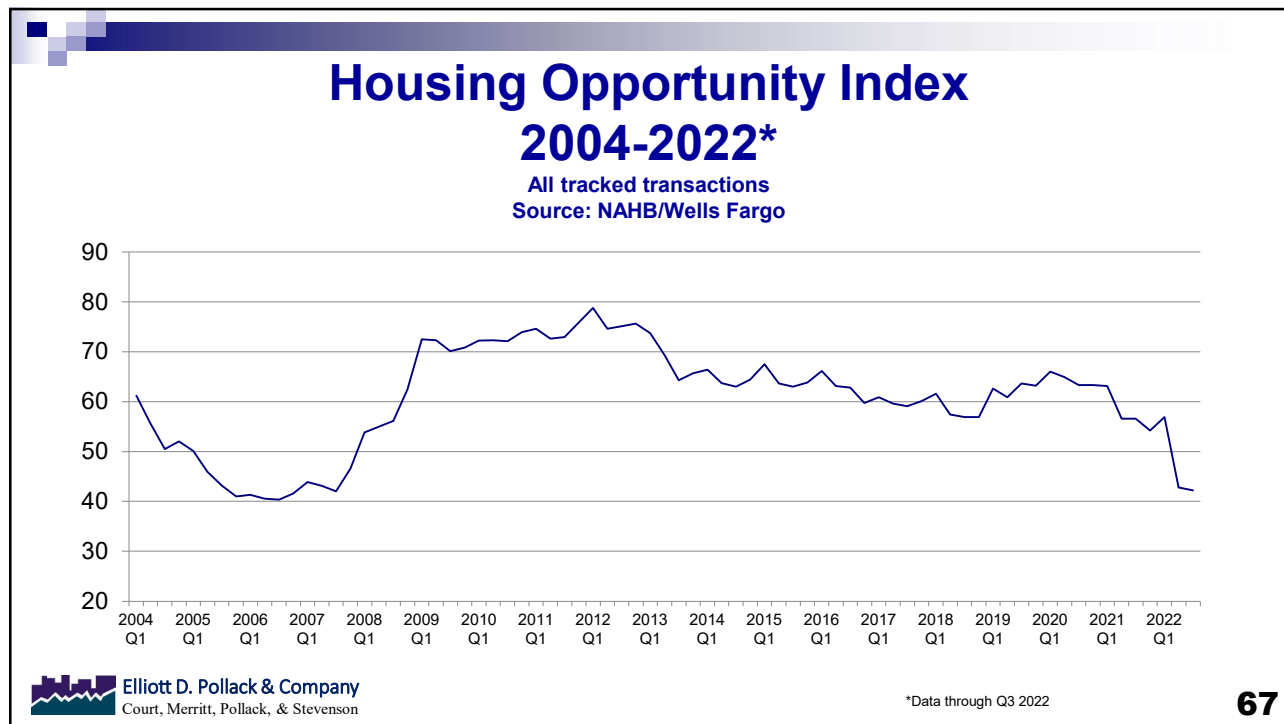
New Home Median Sales Price

2015 – 2022*

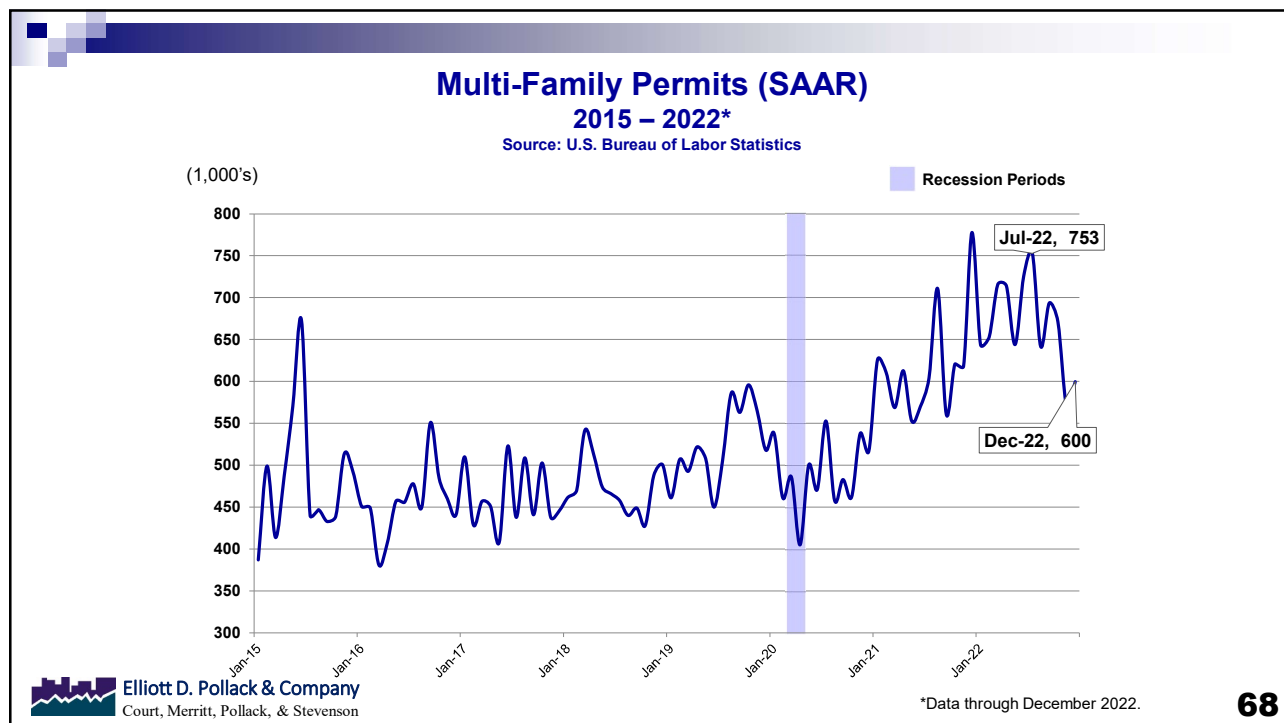
Source: U.S. Census



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**67**

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**68**

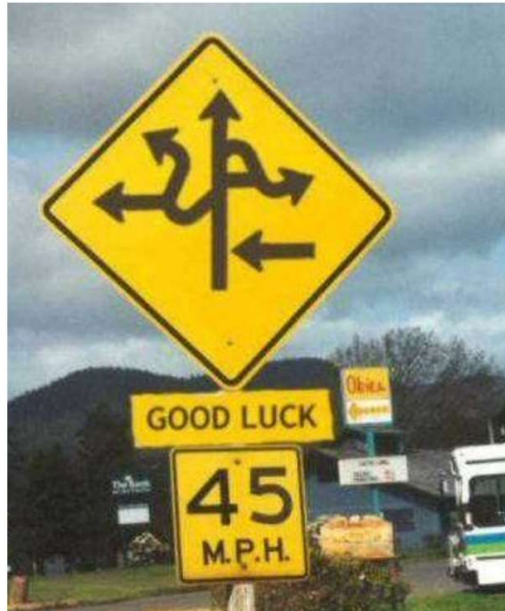
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Summary

- Consumers are getting nervous despite lots of cash and a strong job market. The nervousness comes from the decline of real incomes and inflation in the price of necessities.
- Businesses are in good shape but will be affected by the slowdown, in interest sensitive sectors and a tougher Fed policy.
- Fed is in uncharted waters
- Fiscal policy is still stimulative.
- The risks of the Fed quitting too early is there. The result would be very negative
- Overall, it could be a tough year. But dealing with inflation now beats all alternatives.

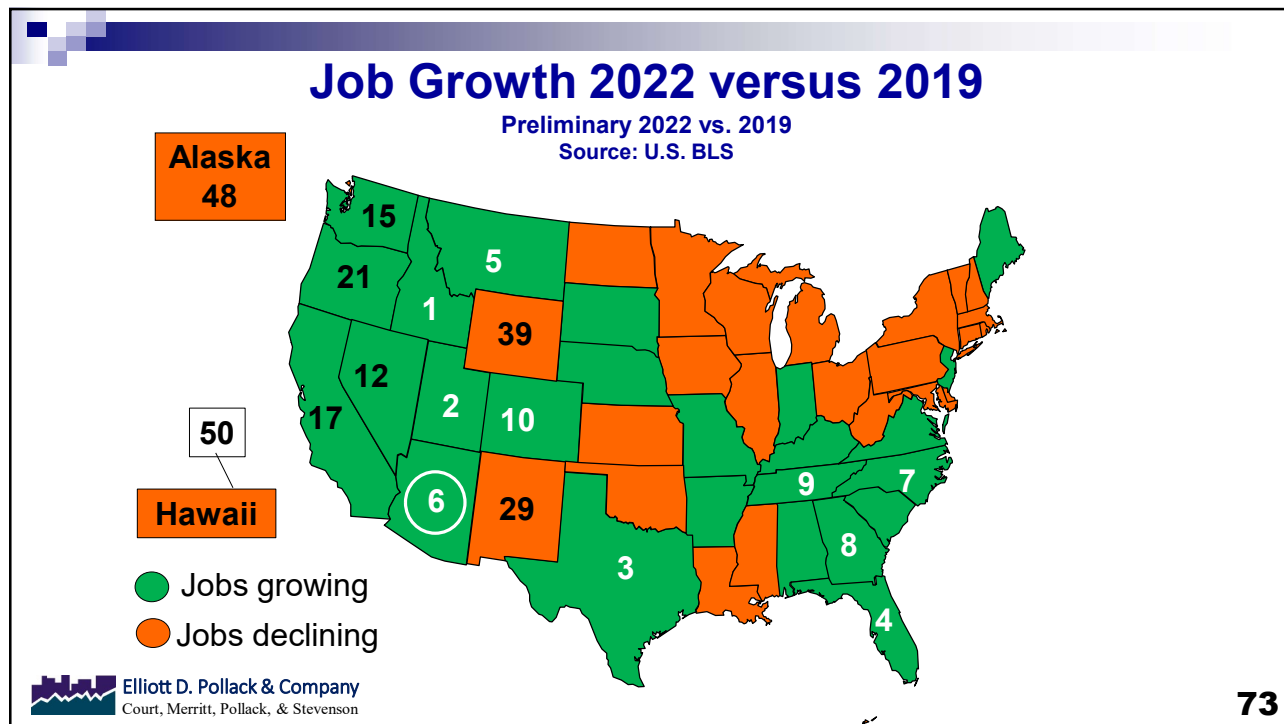
Overall Conclusions:

- The extent of the malaise we are now in will be determined by Fed policy and hopefully better fiscal policy.
- Expect the Fed to raise rates and keep them high until wage growth slows.
- The likelihood of a recession is high. Probably in 2023.
- If the Fed stays the course and deals with inflation now, the outlook for the economy becomes considerably better than if the Fed backs down and has to face the problem again later.
- Inflation is being dealt with after 6 quarters of high inflation

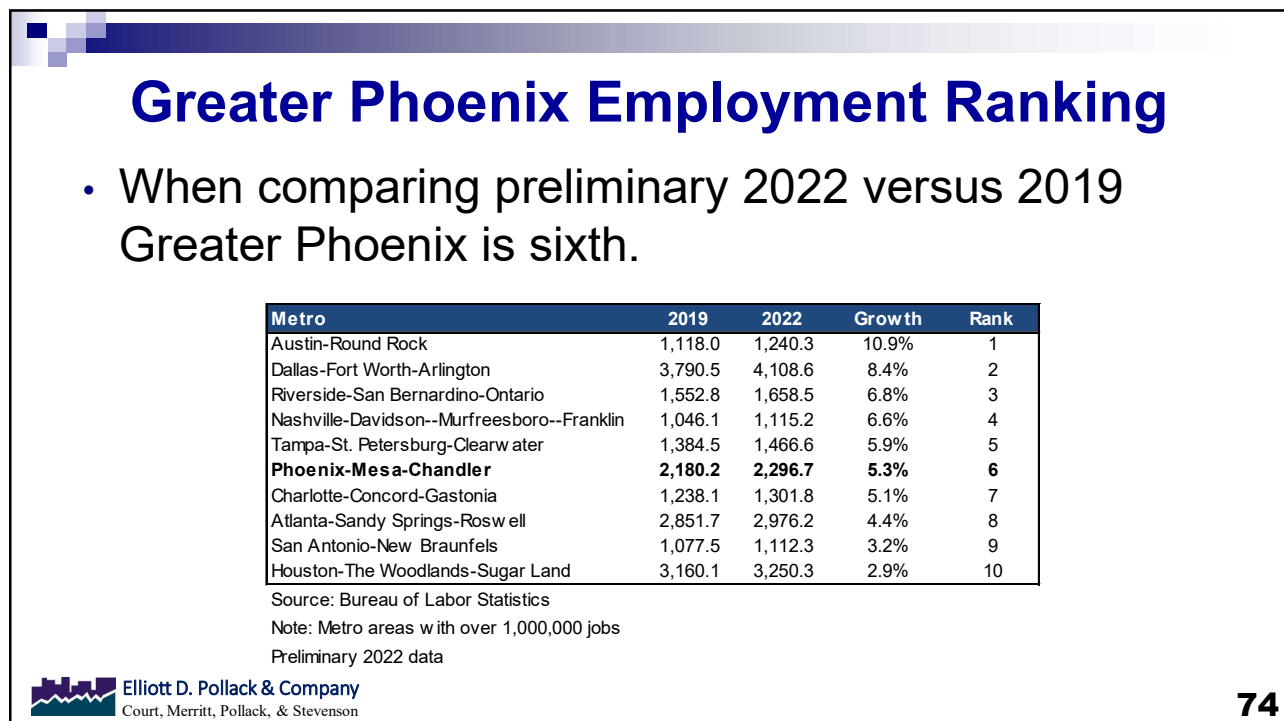


State of Arizona





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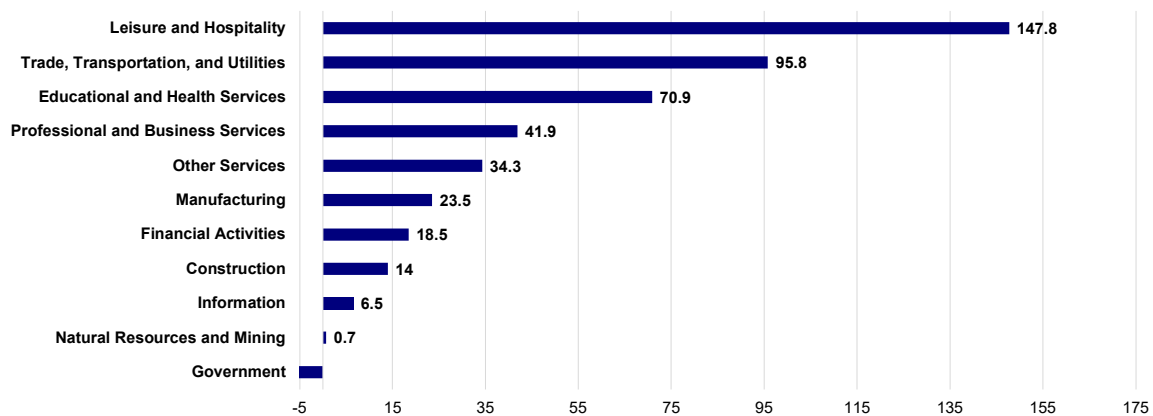
Arizona & Greater Phoenix

- Most of the growth is in Greater Phoenix
- Strong job growth likely to slow in 2023.
- Economic development successes (semiconductors, electrical car manufactures and suppliers)
- Single family housing is under lots of pressure.
- Rental housing still positive.
- Continued but slower population growth

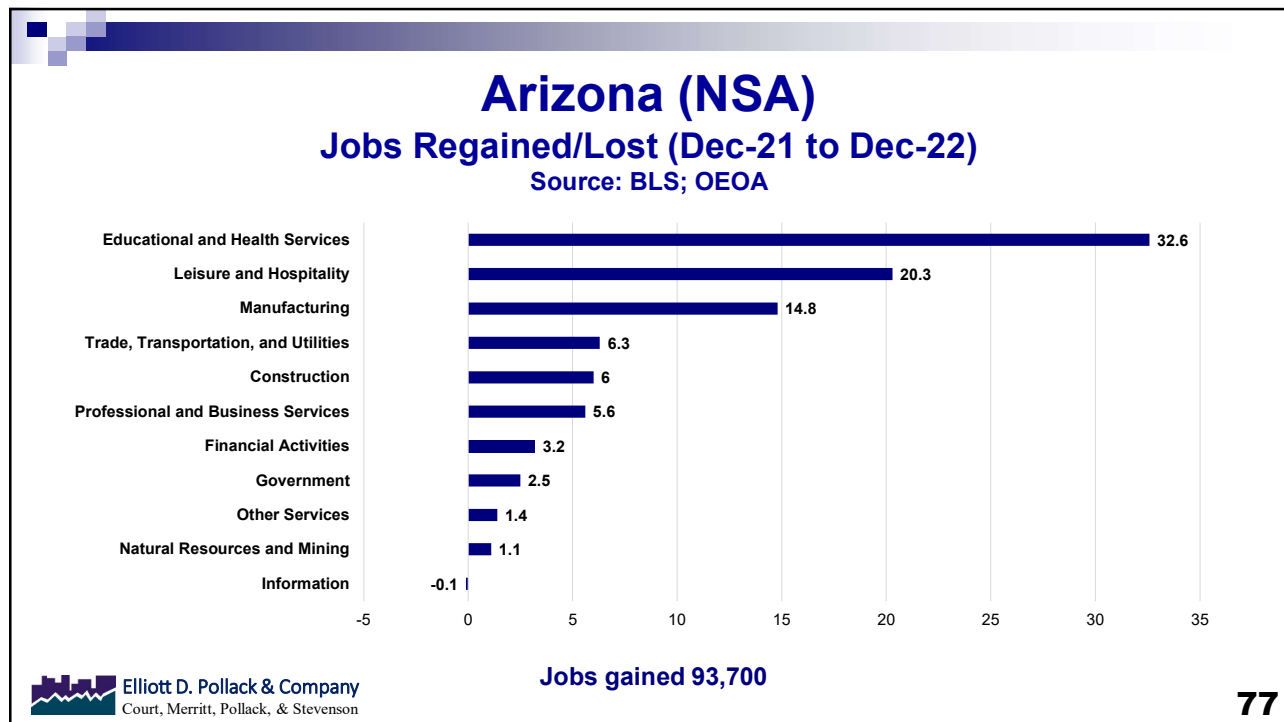
Arizona (S/A)

Jobs Regained/Lost (Apr-20 to Dec-22)

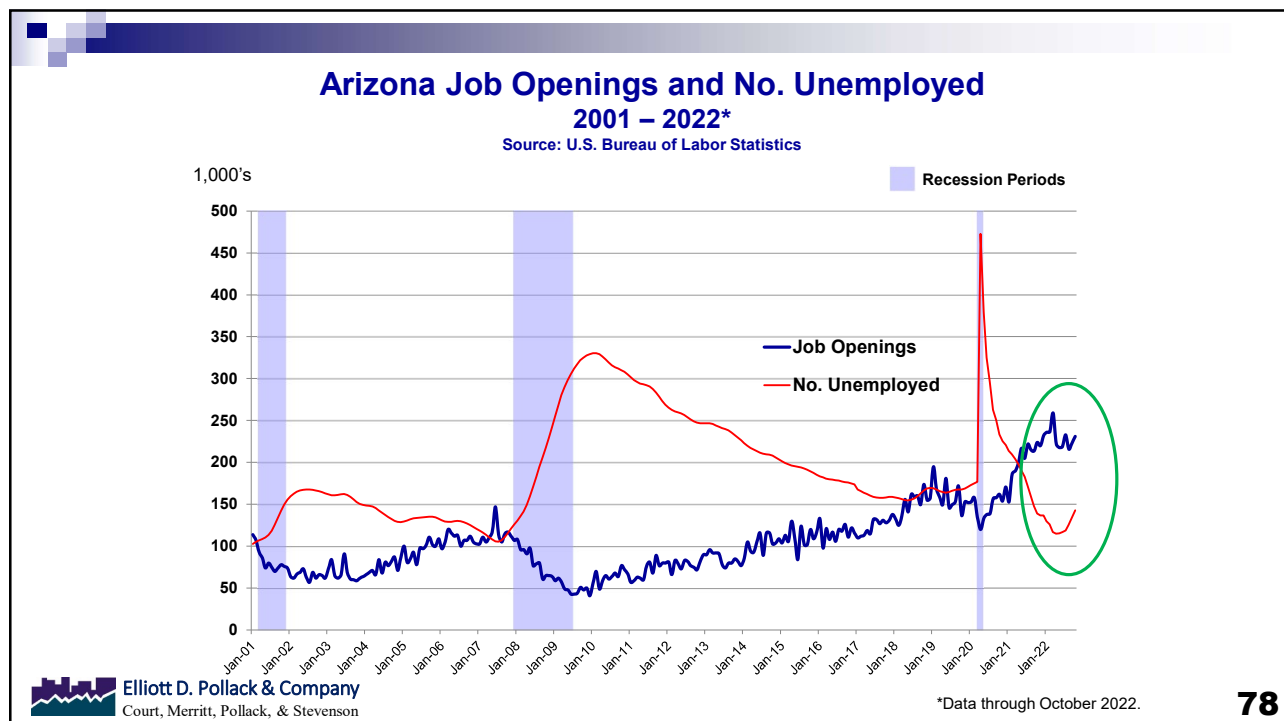
Source: BLS; OEOA



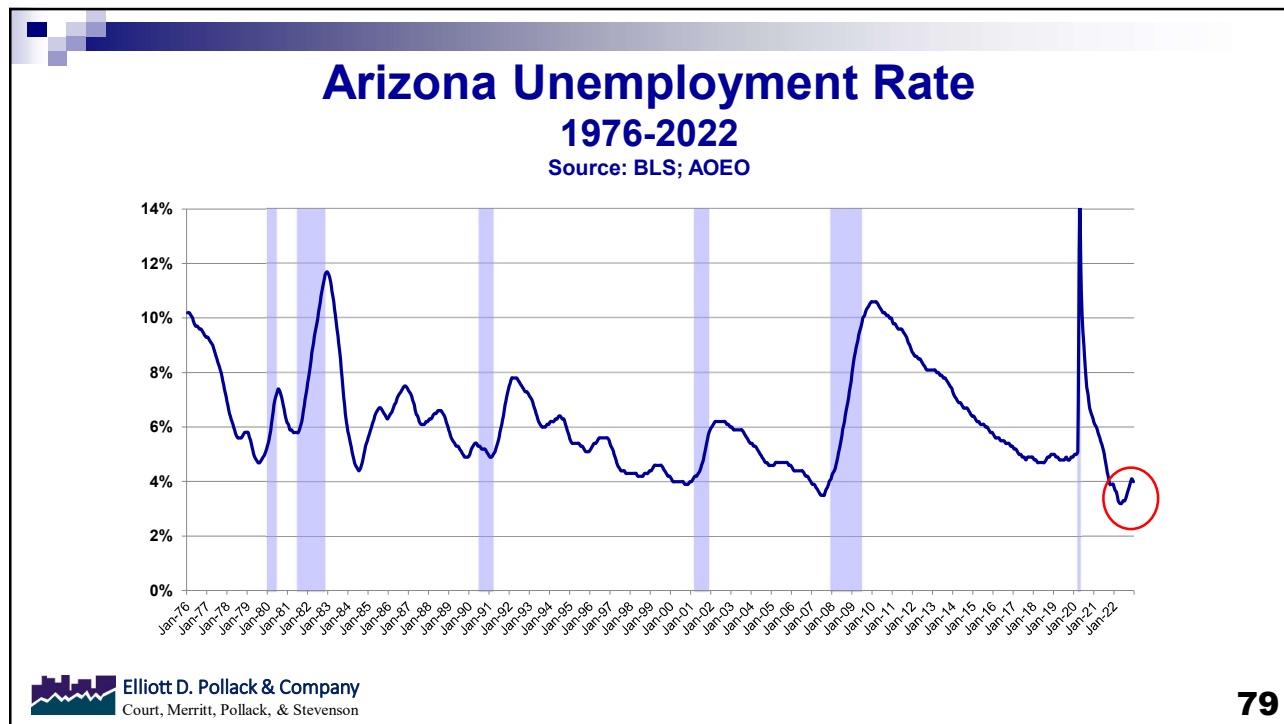
Jobs gained 448,200



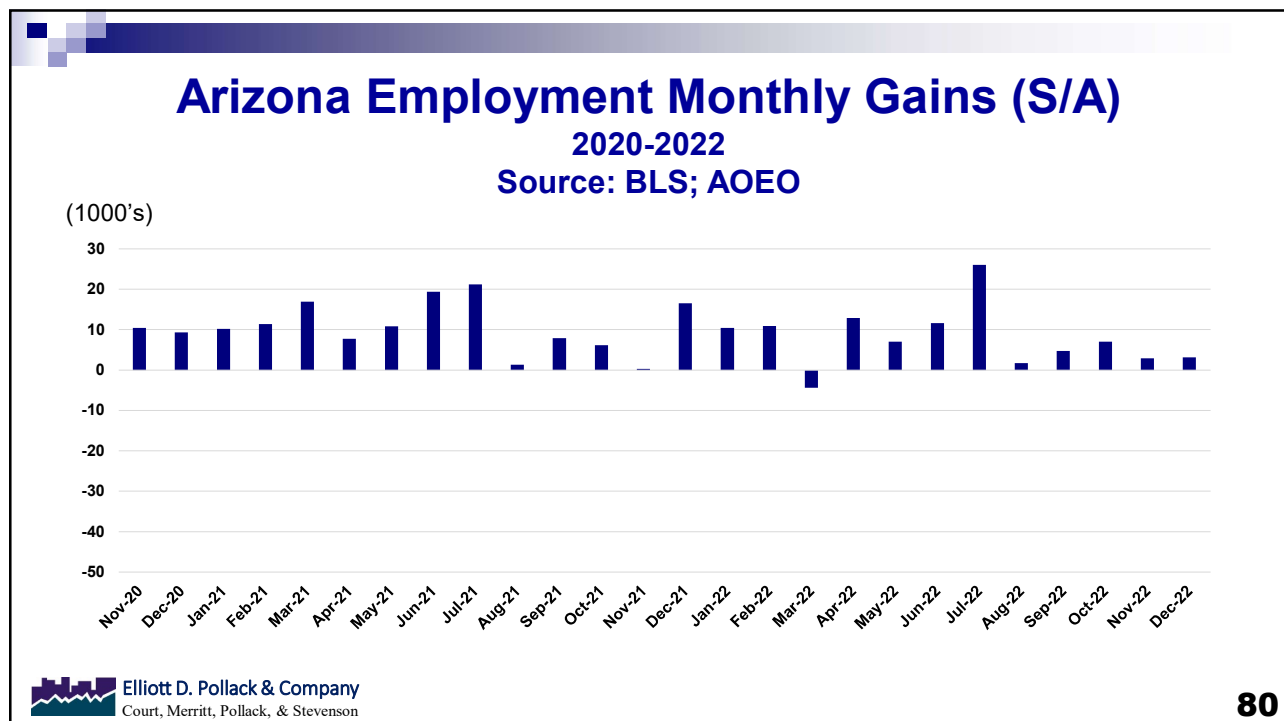
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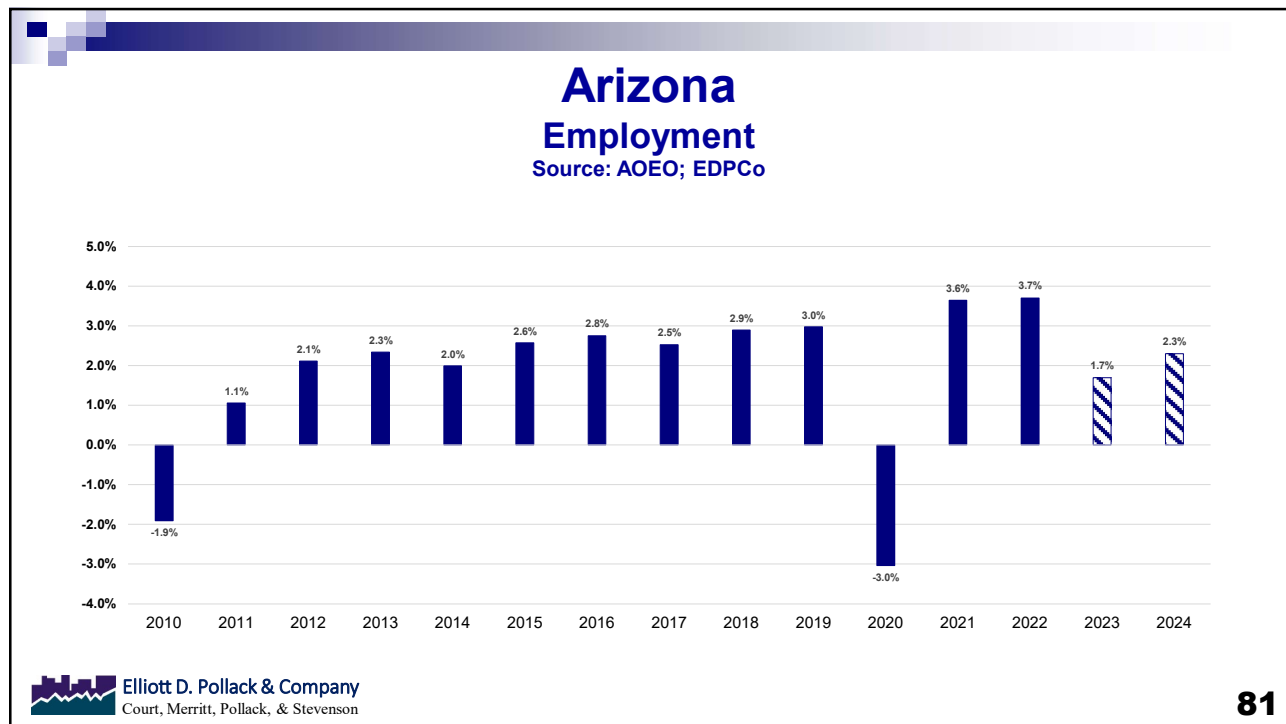
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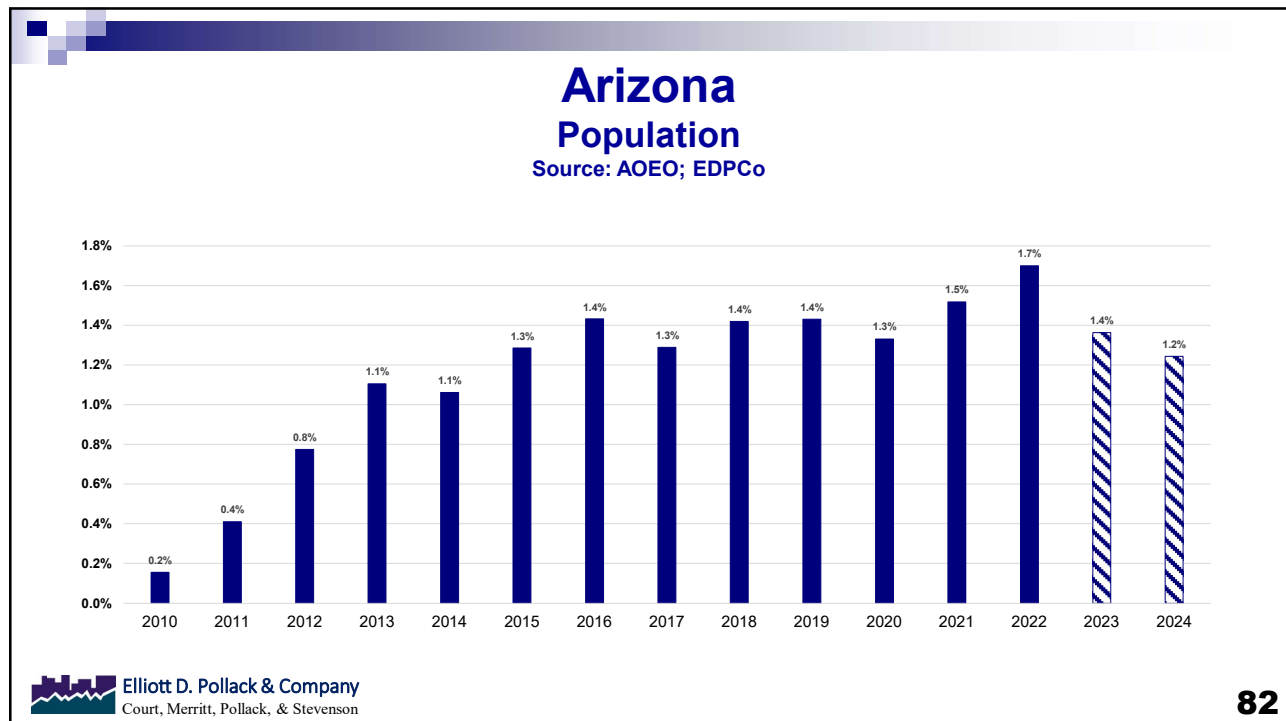
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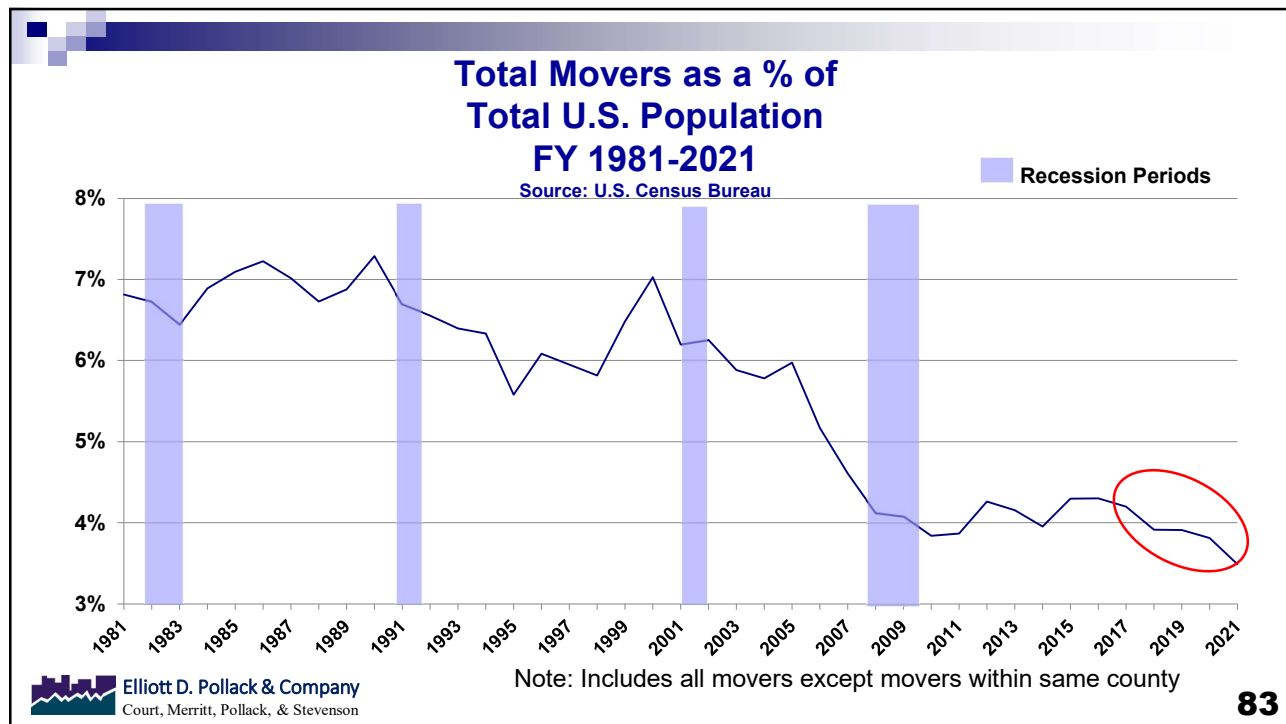
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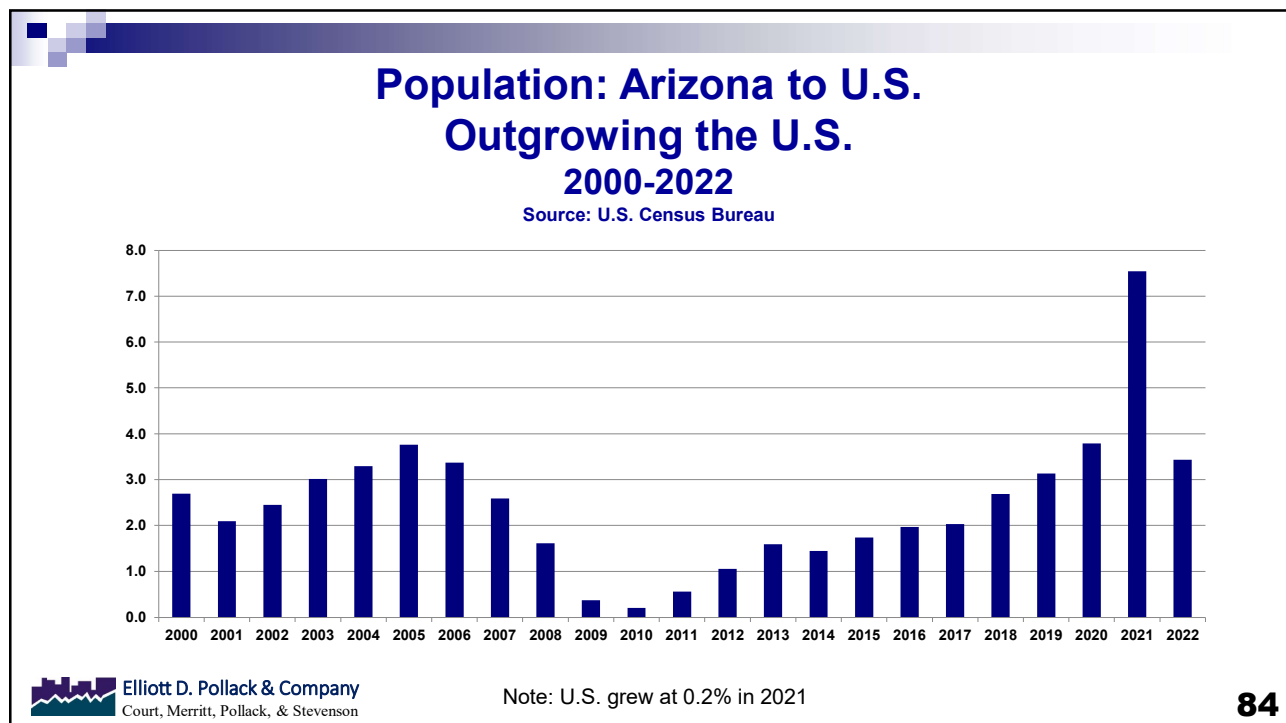
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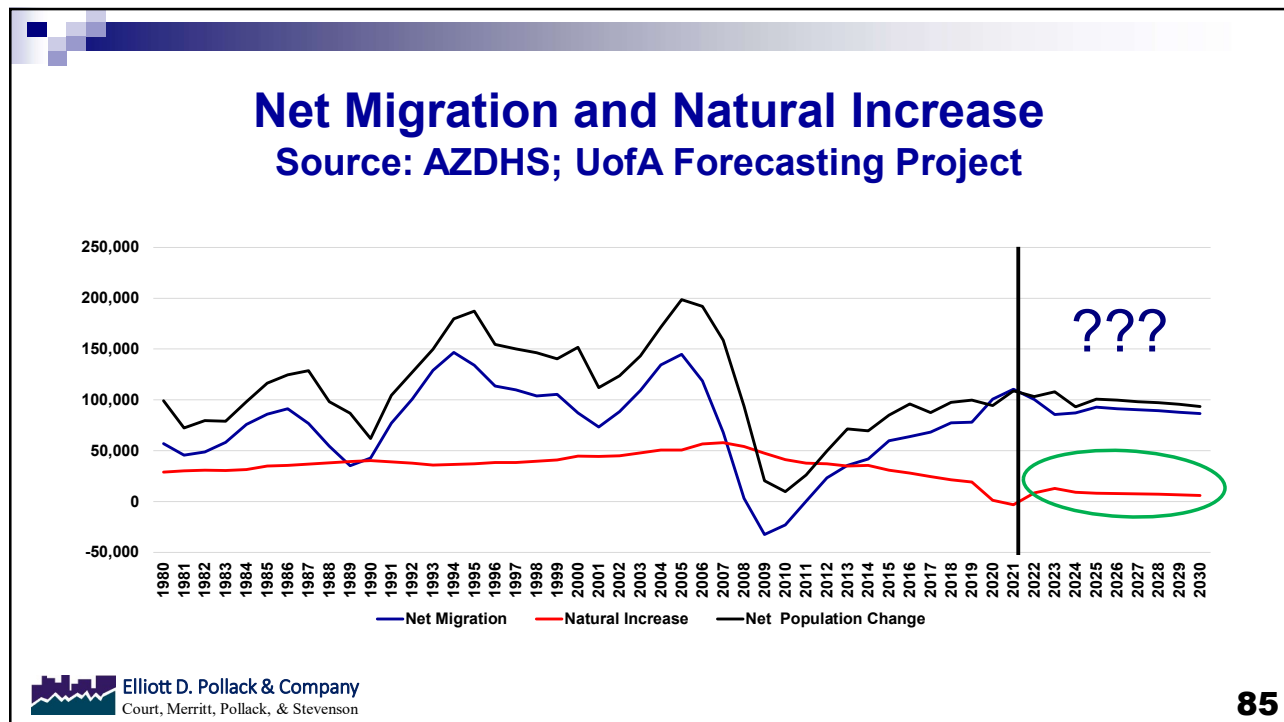
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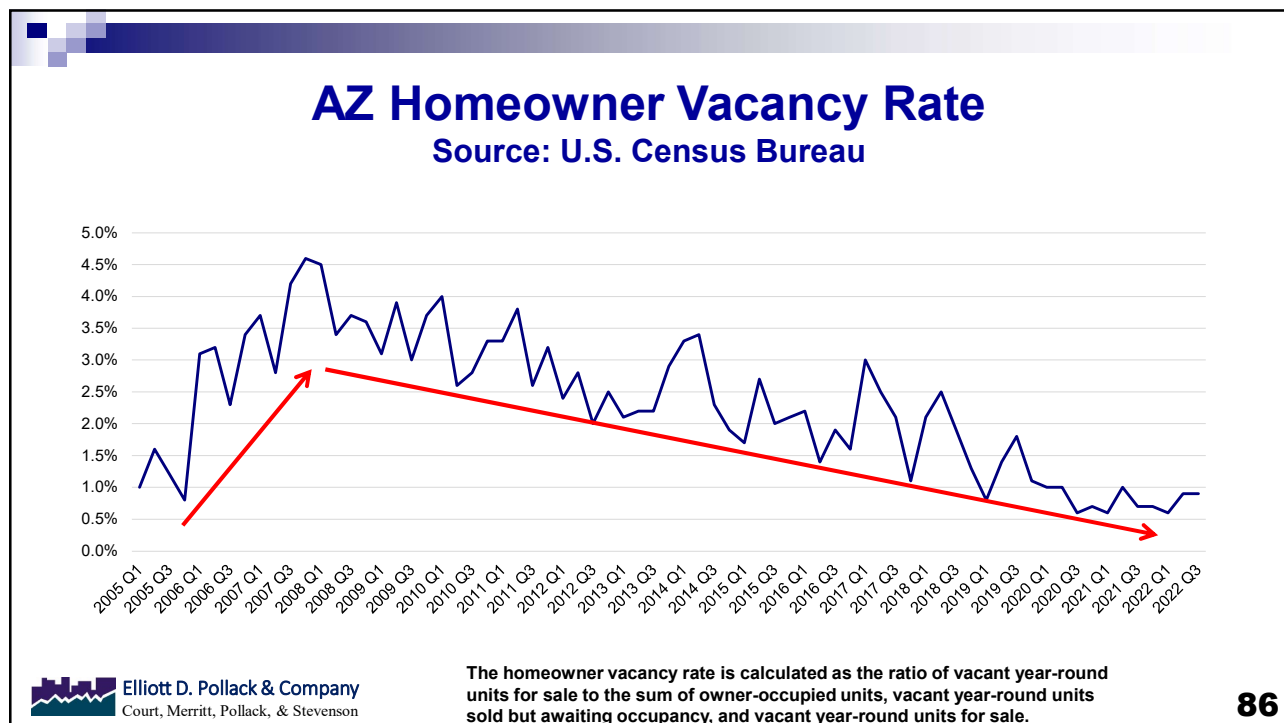
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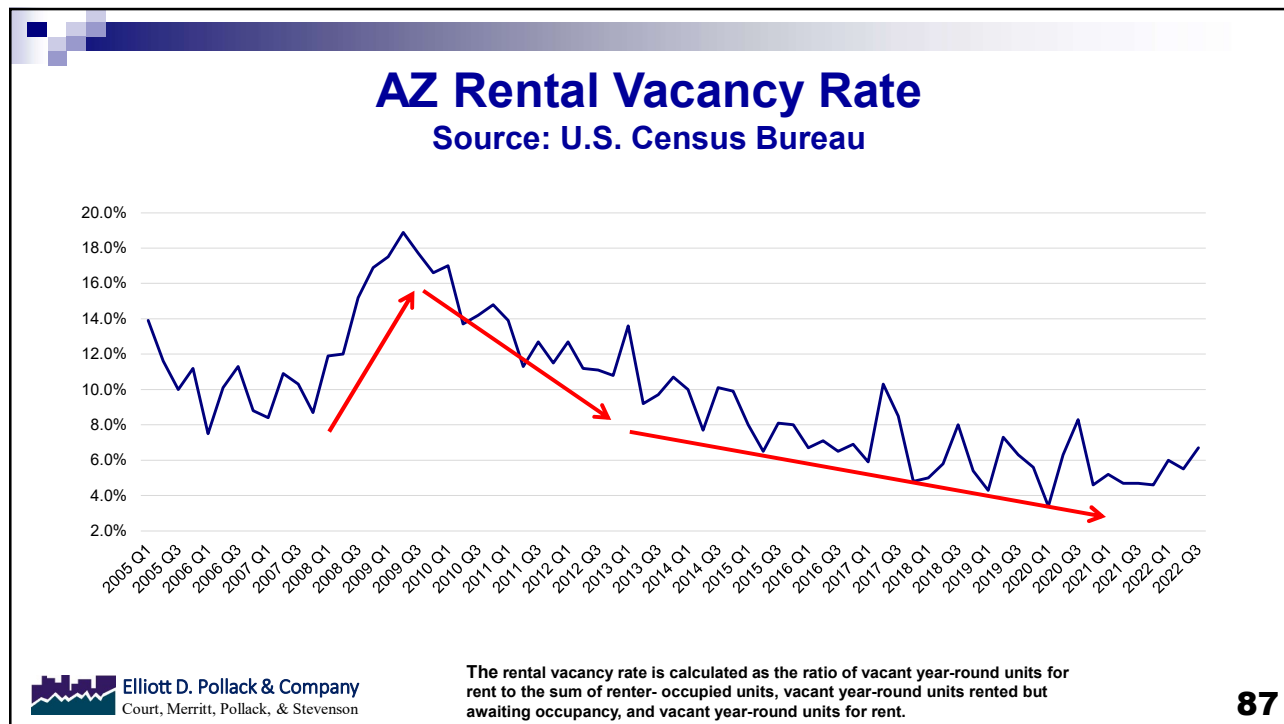
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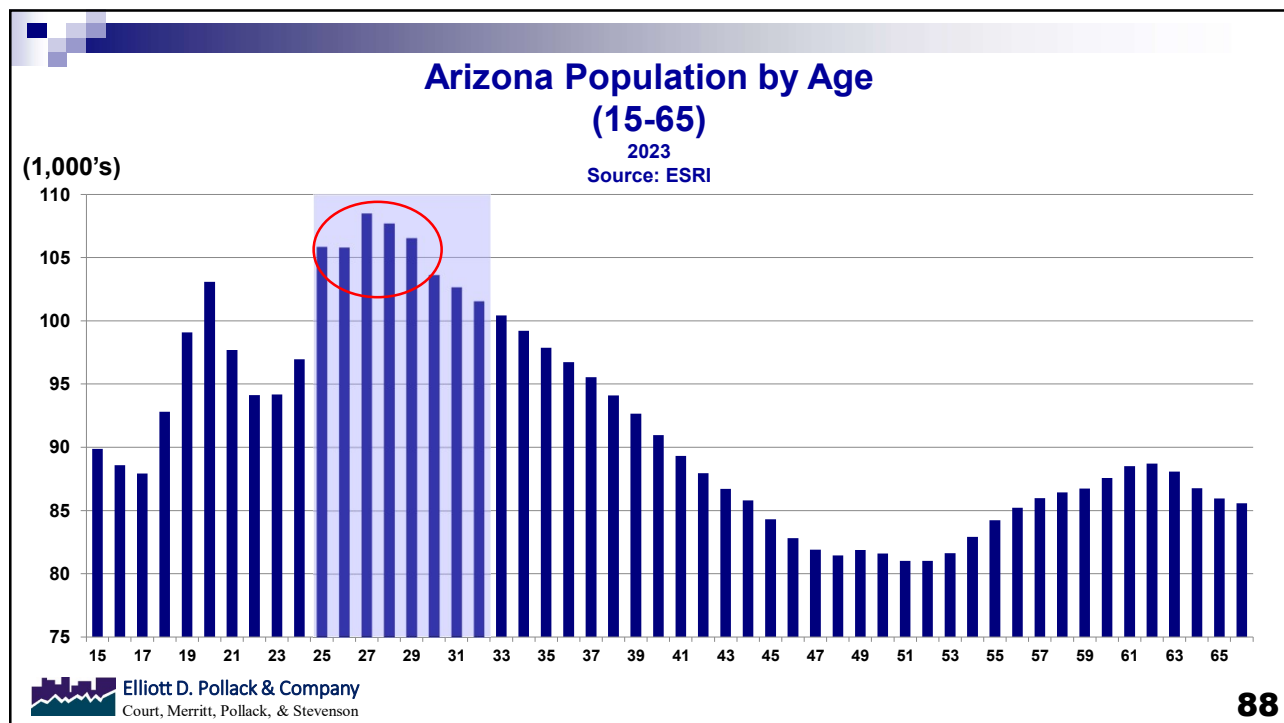
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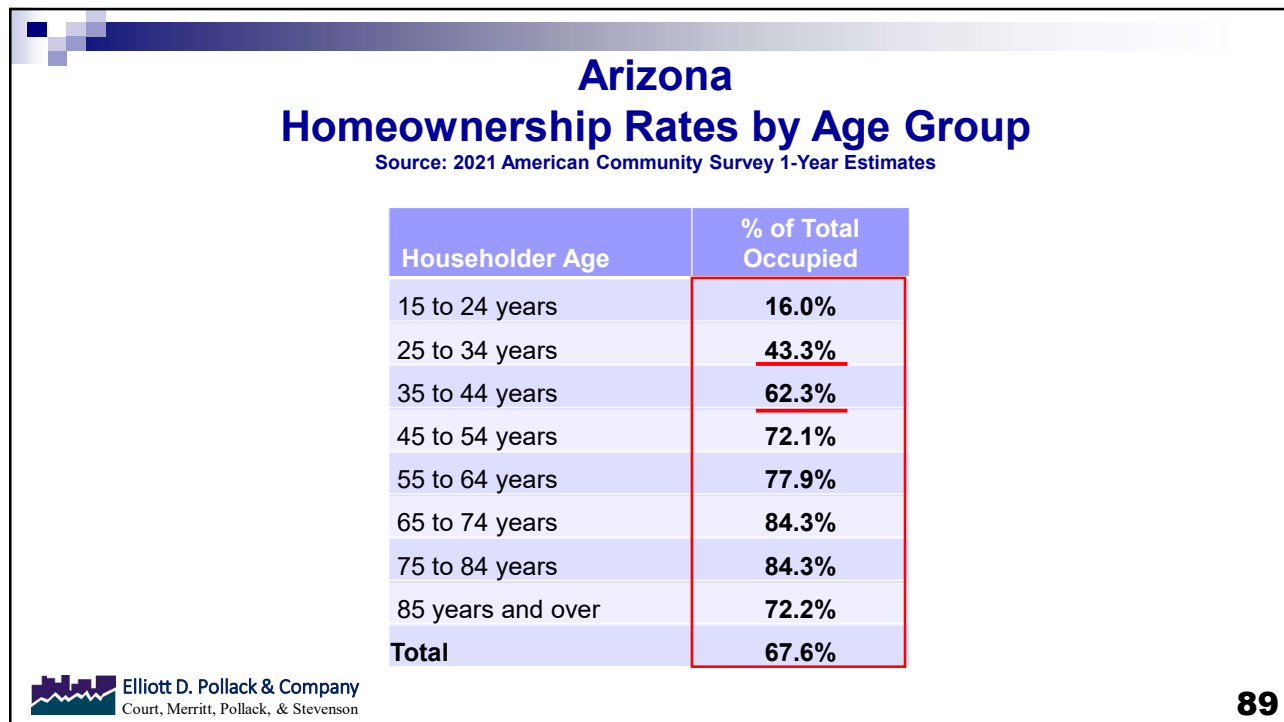
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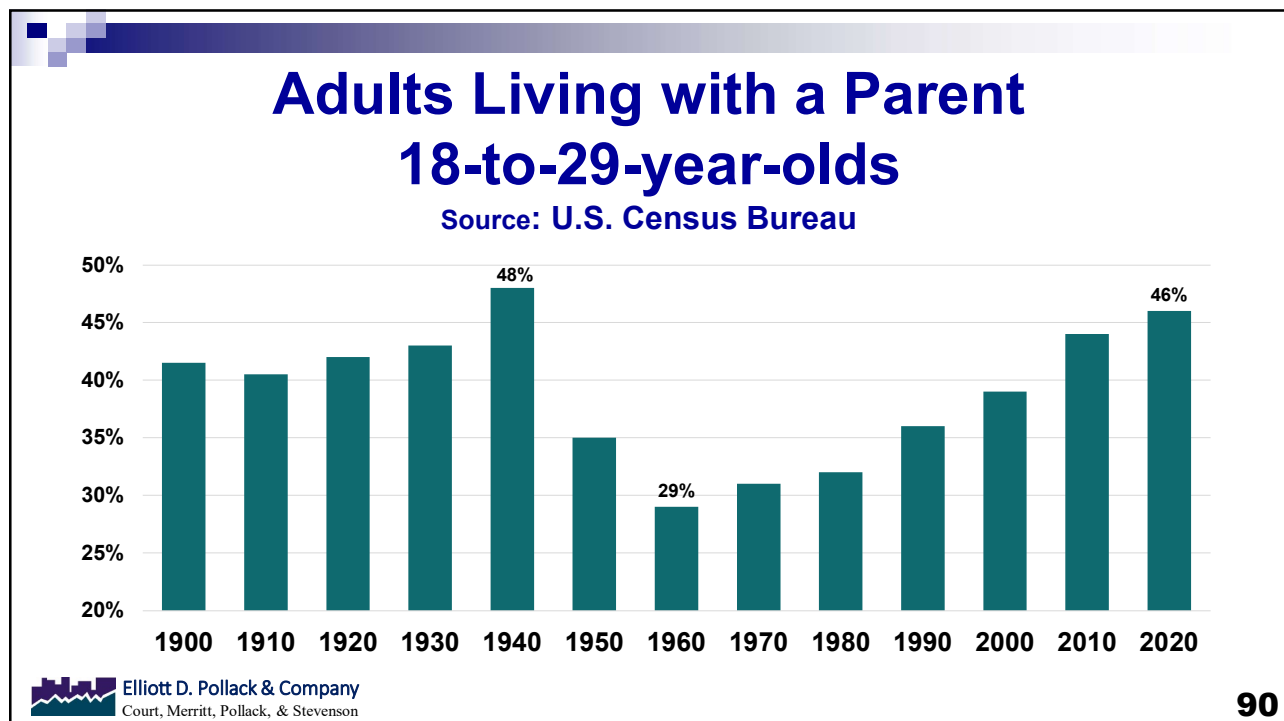
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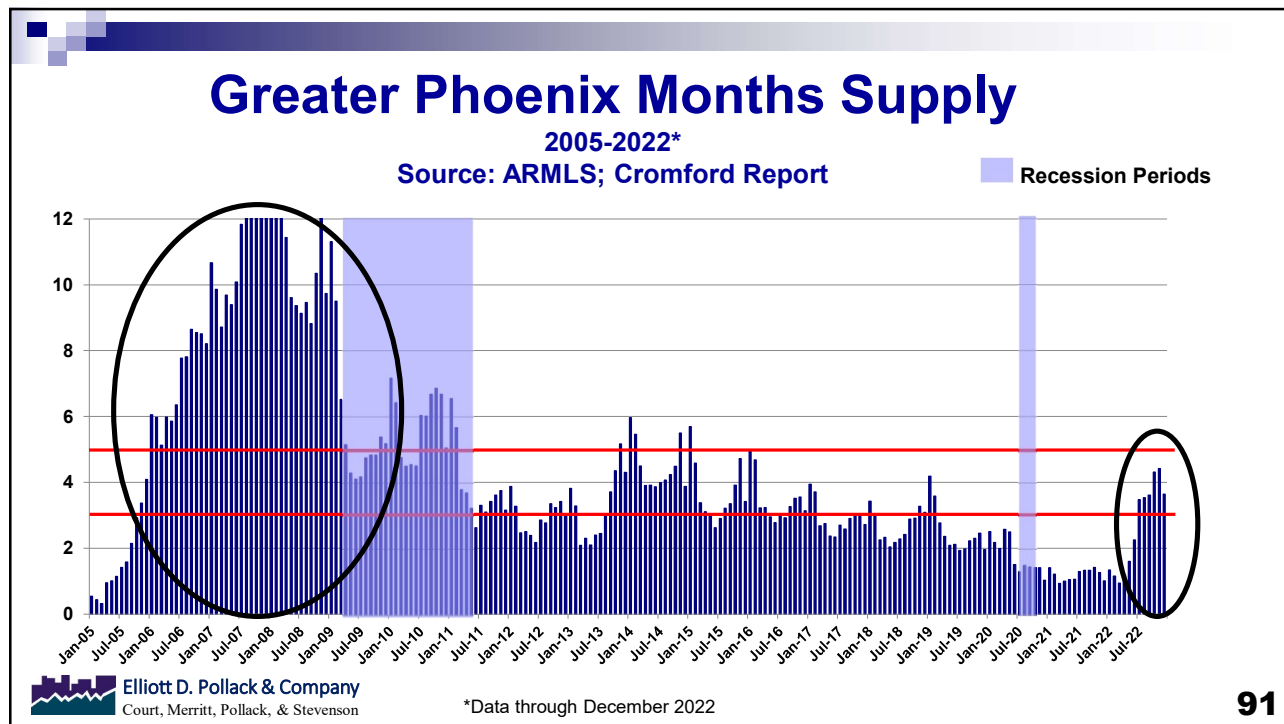
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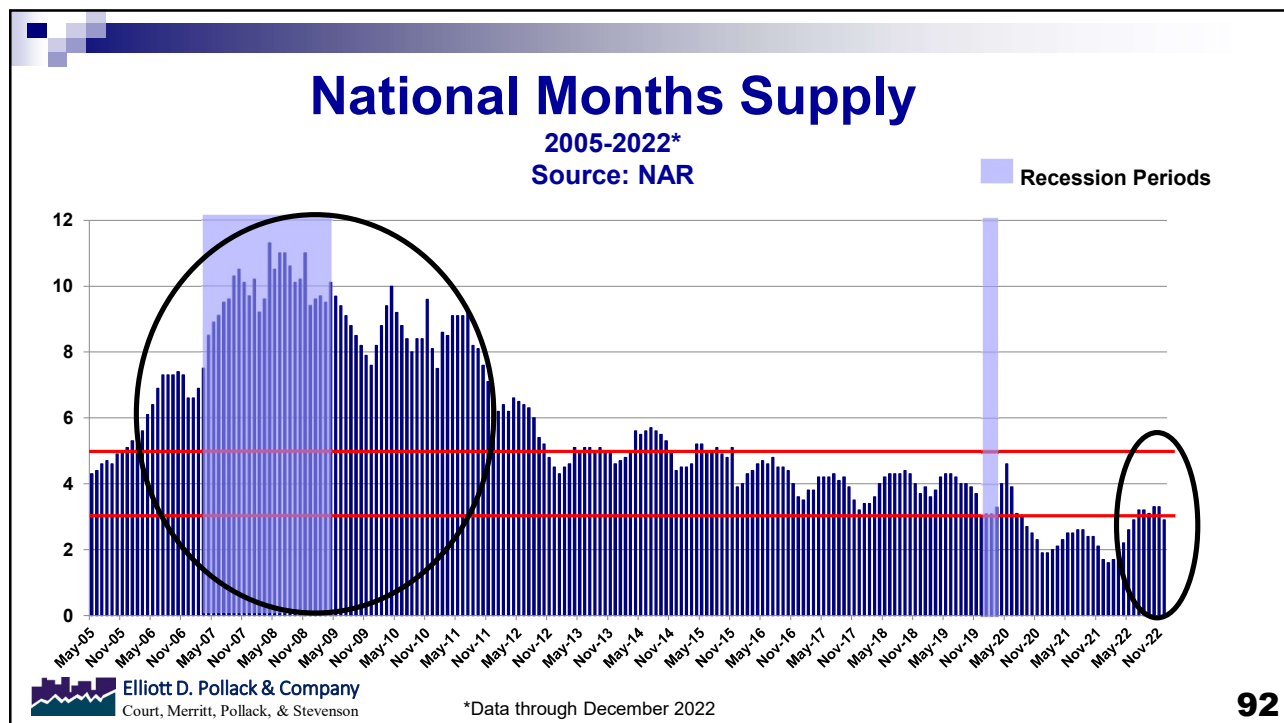
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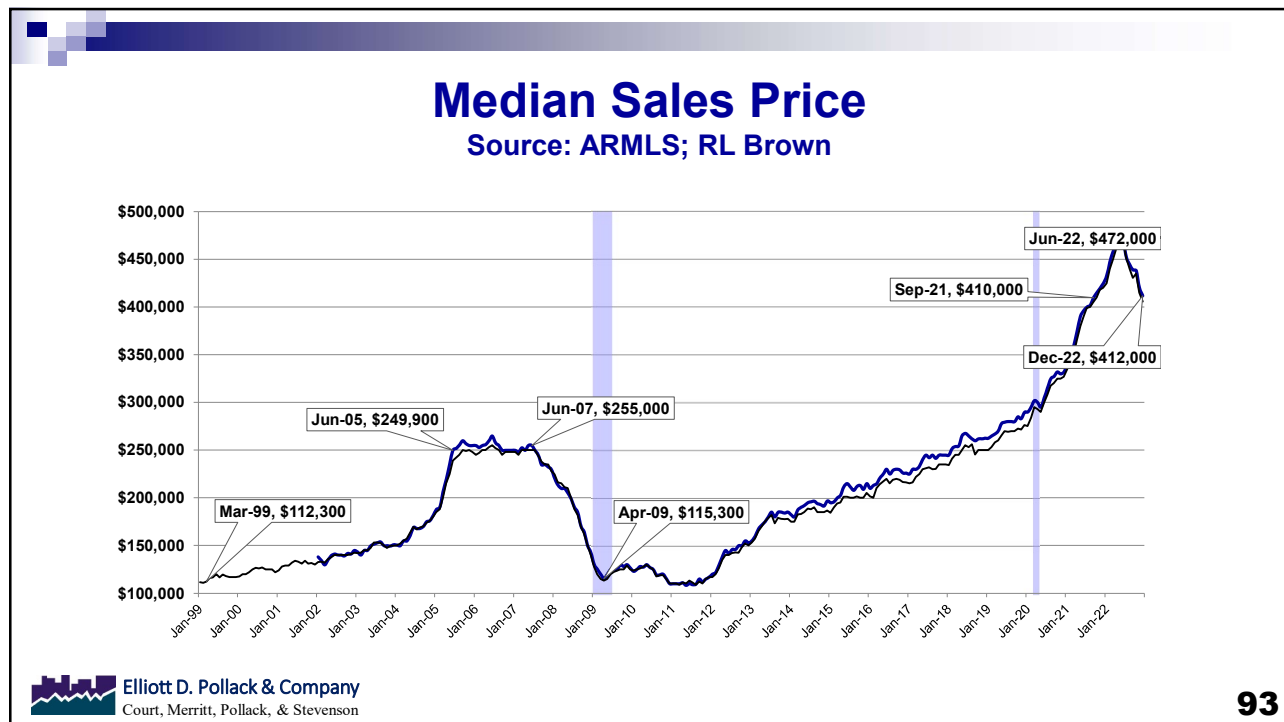
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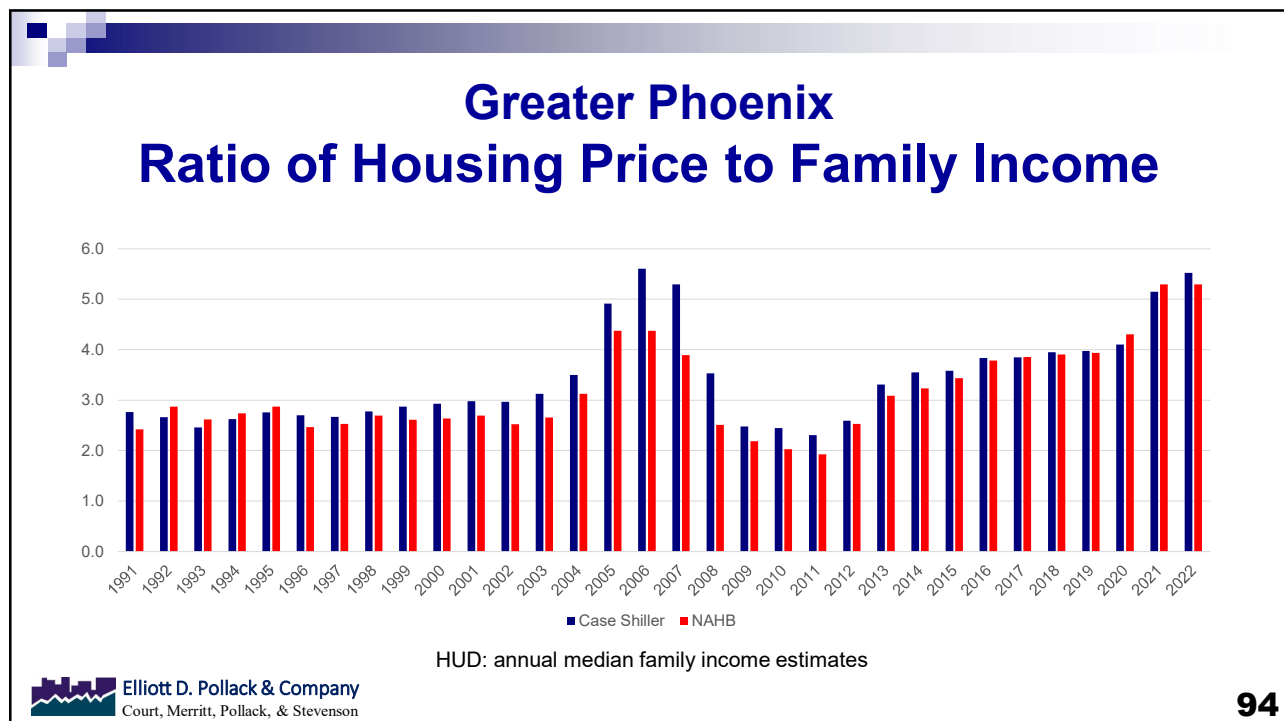
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Mortgage Payment Change

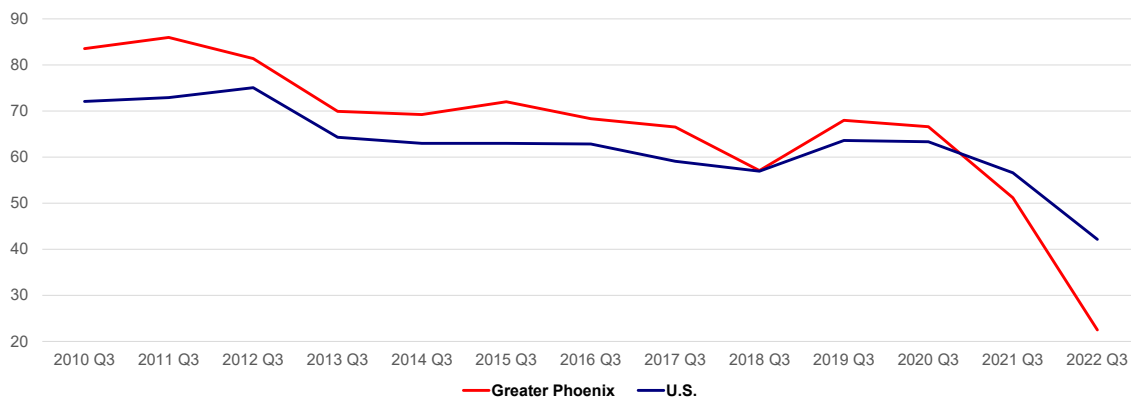
	December 2021	May 2022	December 2022
Median Sales Price - New	\$445,000	\$500,490	\$521,555
Median Sales Price - Existing	\$439,000	\$486,000	\$420,000
Mortgage Rate Only	3.10%	5.23%	6.36%
Interest & Principal - New	\$1,710	\$2,482	\$2,924
Interest & Principal - Existing	\$1,687	\$2,410	\$2,355

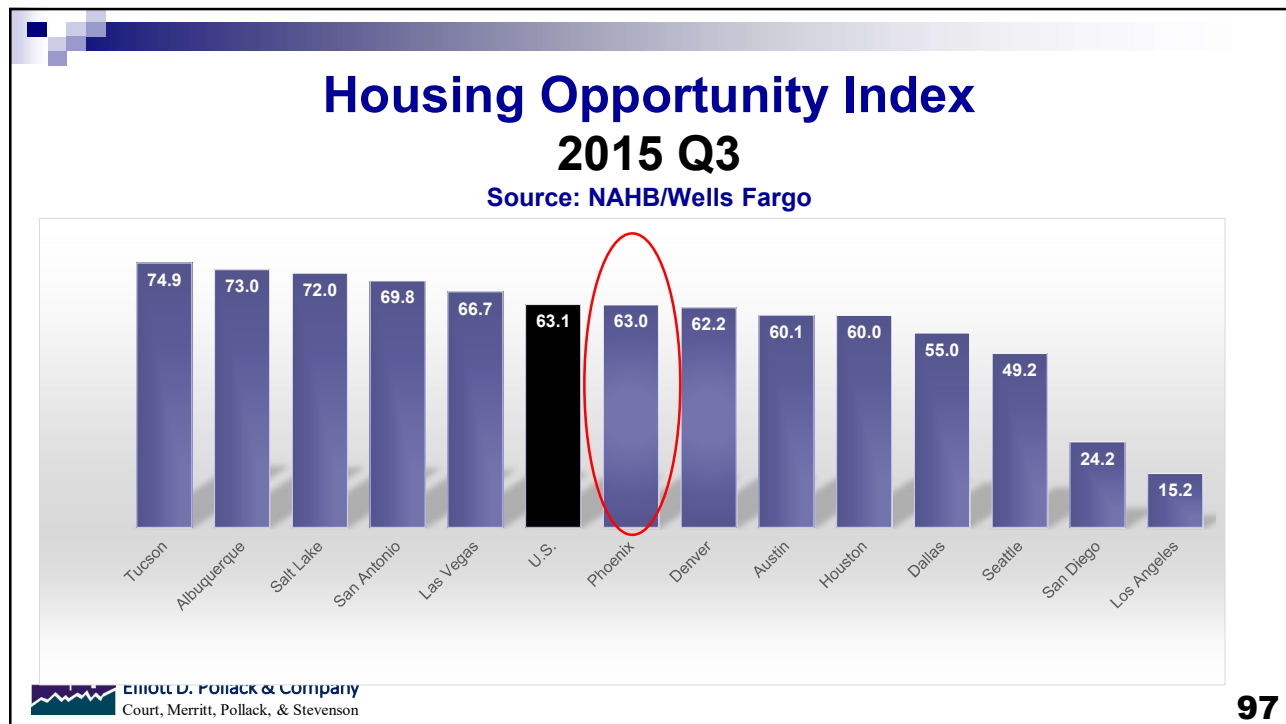
Mortgage payments for a new home have increased 71% and 40% for an existing home.

Source: Freddie; Information Market

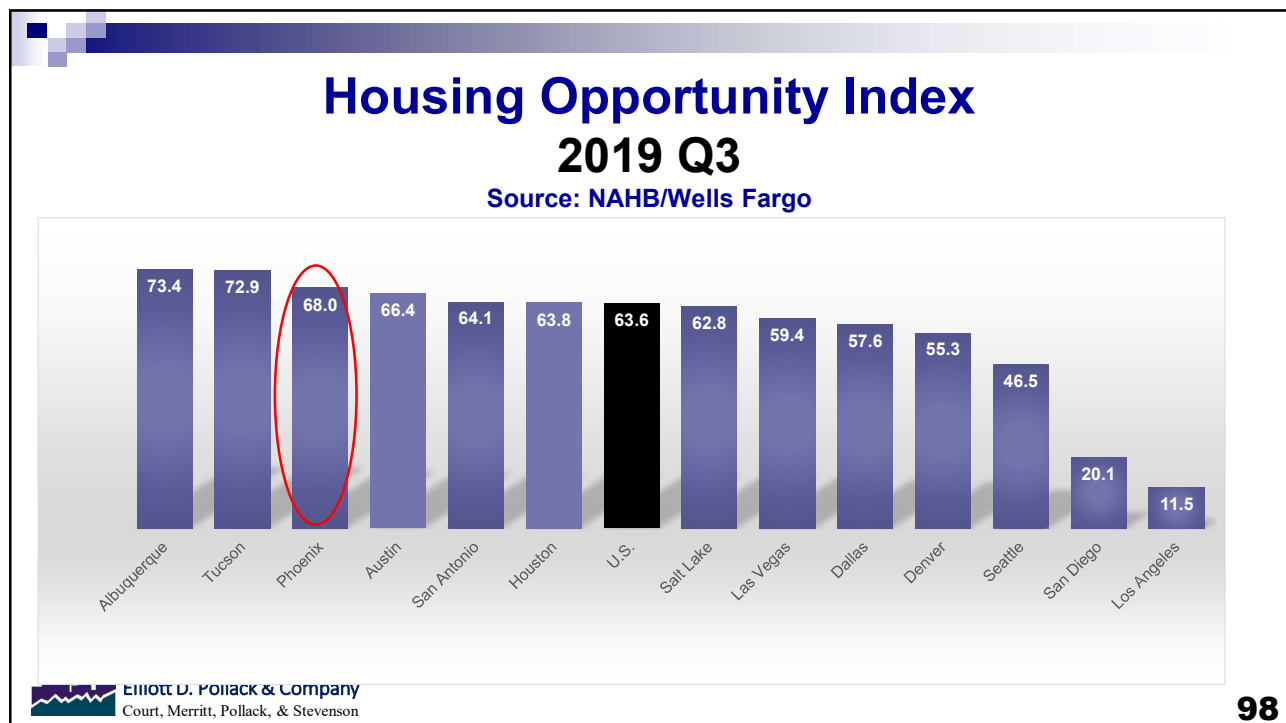
Housing Opportunity Index

Source: NAHB/Wells Fargo





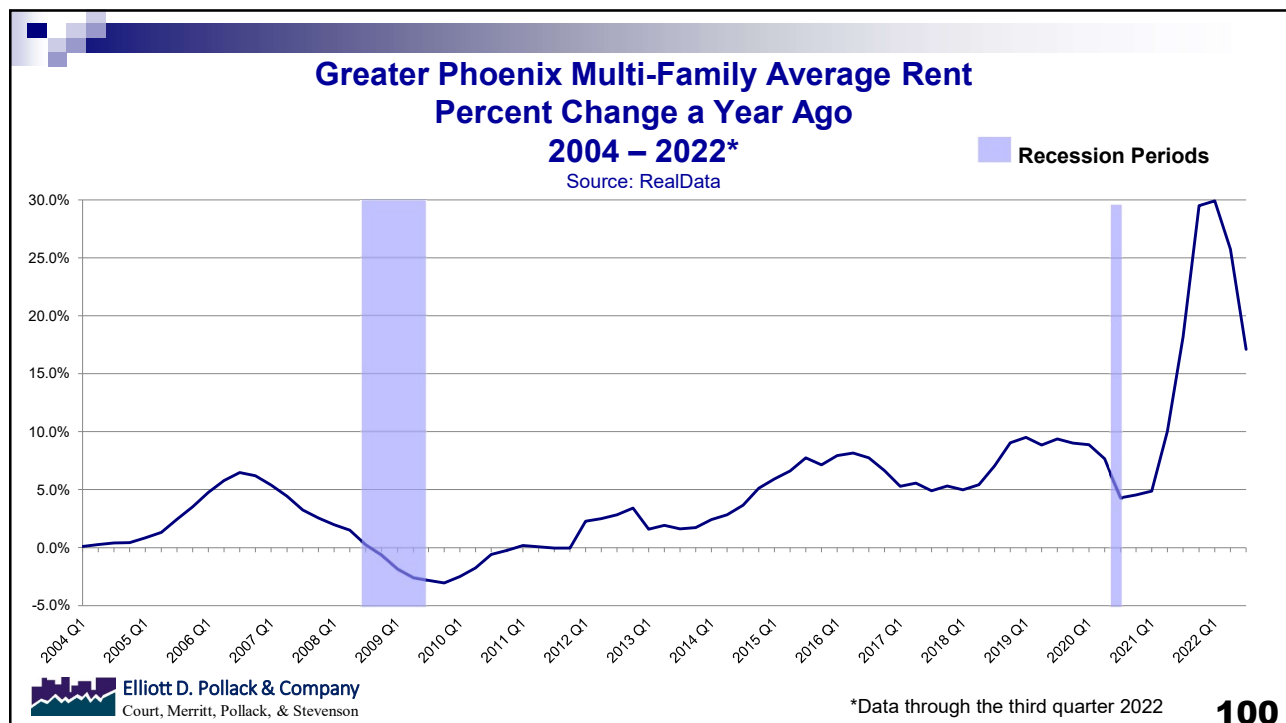
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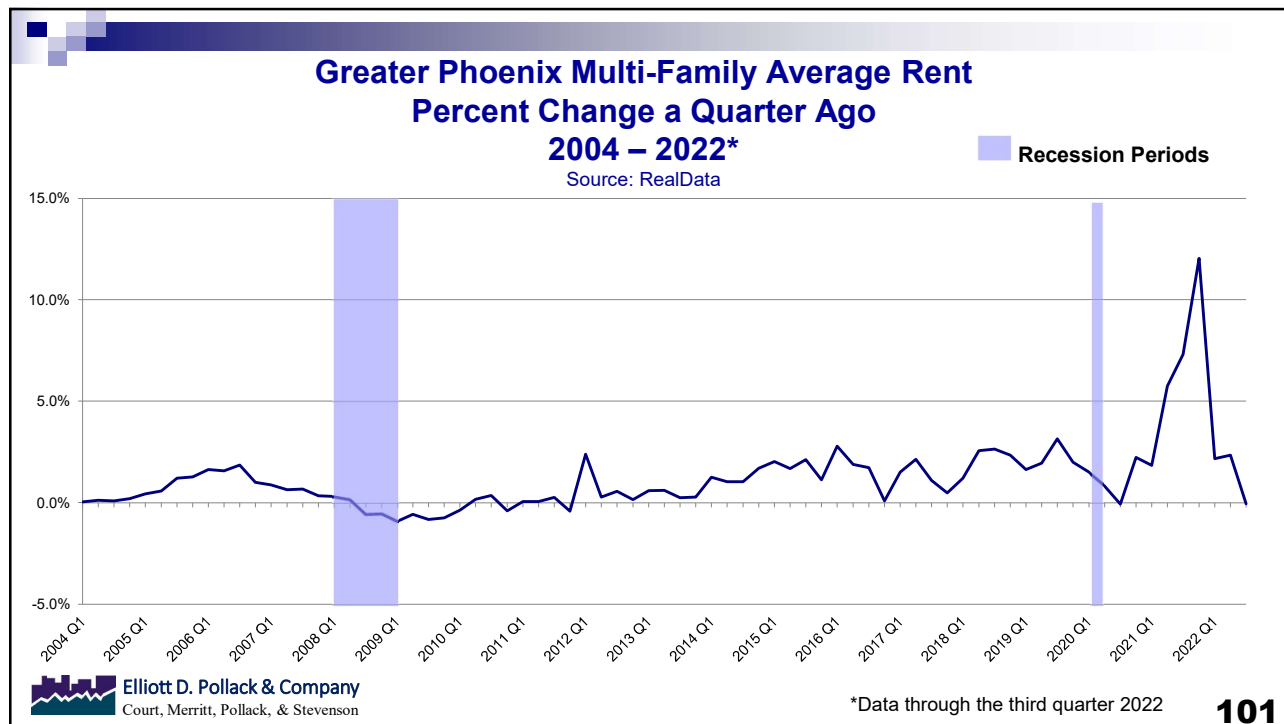
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What to Expect in the Near Term?

- Higher interest rates
- Lower inflation adjusted income
- Slower population growth
- More renters.
- Fewer owners.
- More attached housing on smaller lots with shorter setbacks and fewer amenities.
- Rents increase rapidly while housing prices decline.
- More doubling and tripling up.
- More living at home with mom and dad (at least for now).
- More homelessness.
- The need for more housing units has not diminish.

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OFFICE



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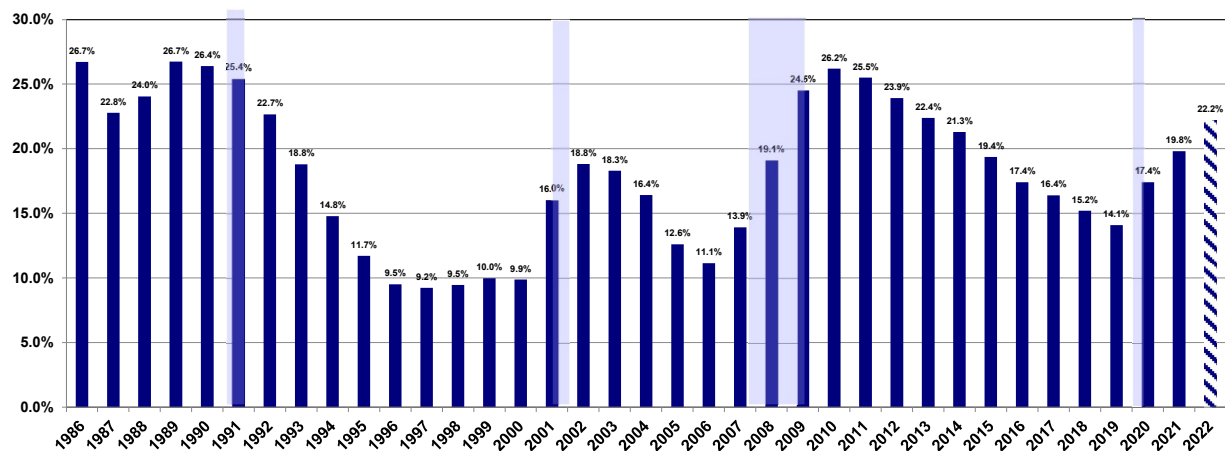
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Office Space Year-End Vacancy Rates Greater Phoenix 1986–2022*

Source: CBRE

Recession Periods

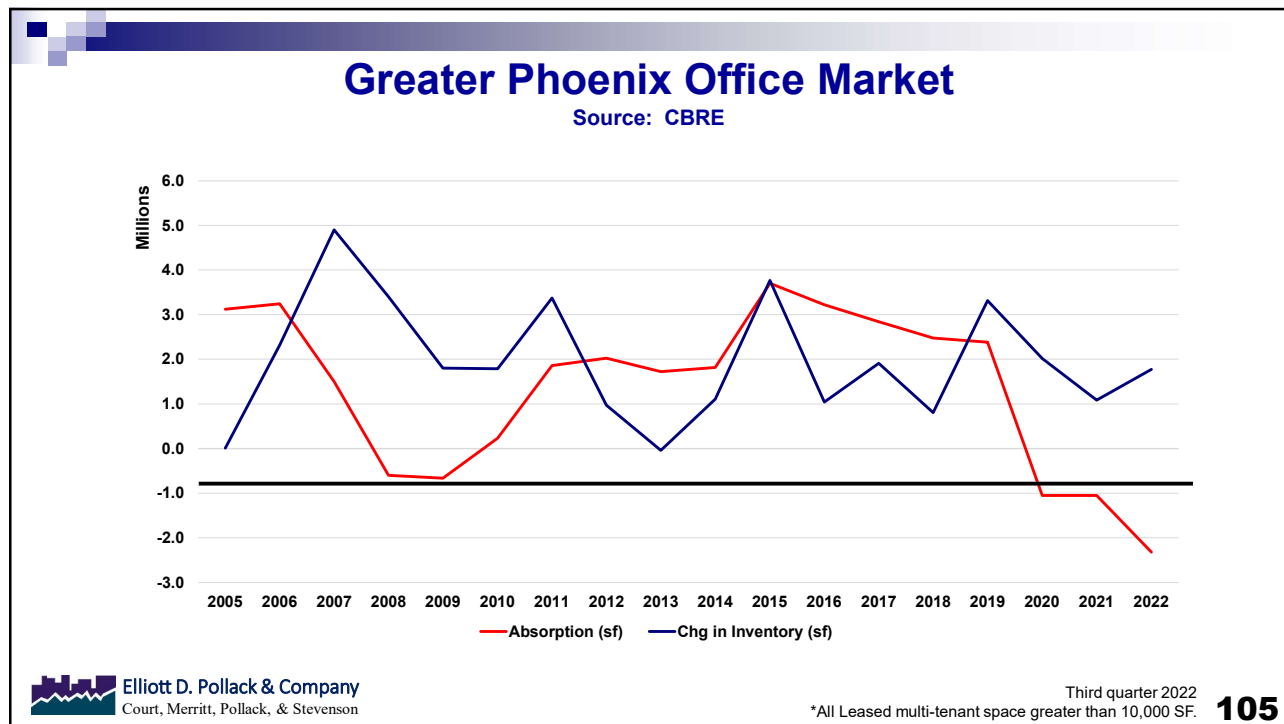


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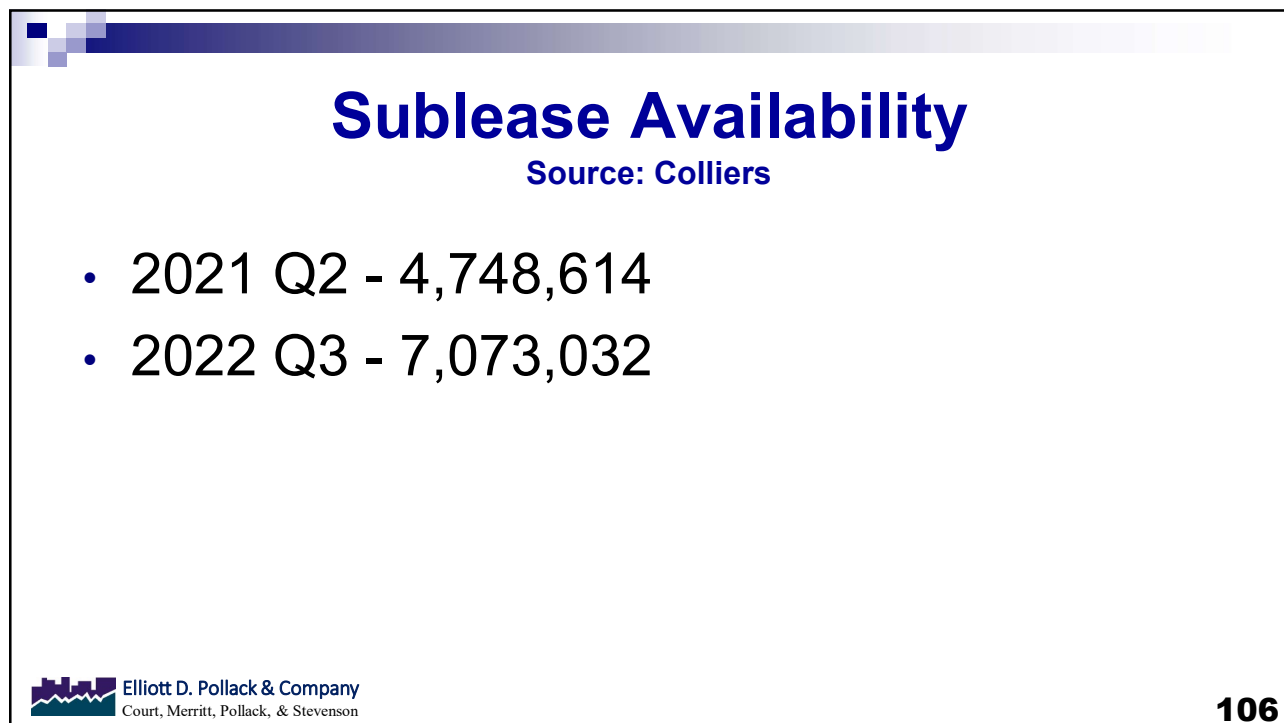
*Third quarter 2022

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INDUSTRIAL



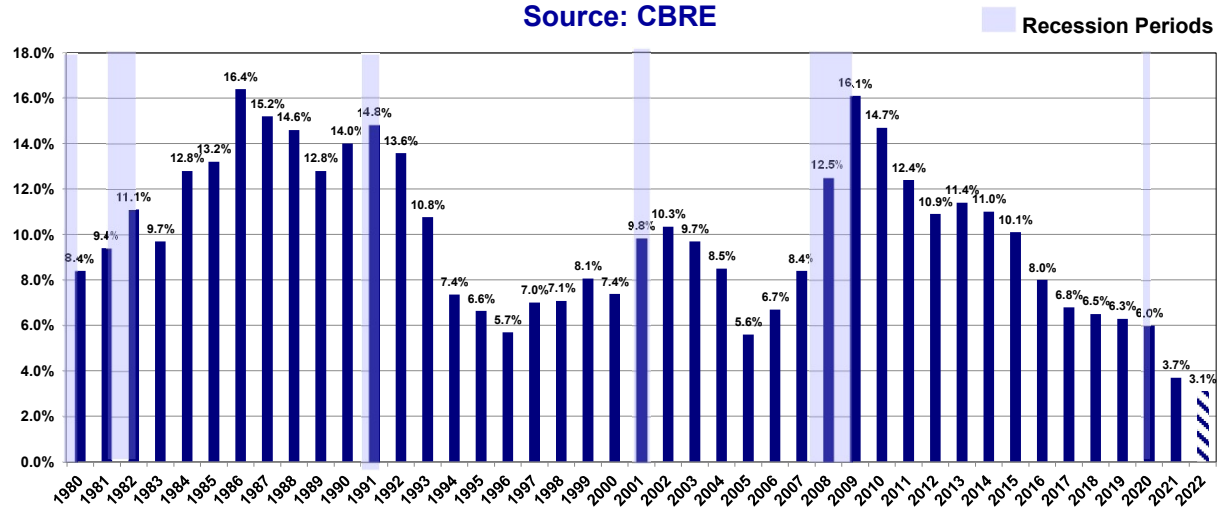
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Industrial Space Vacancy Rates Greater Phoenix 1980 – 2022*

Source: CBRE

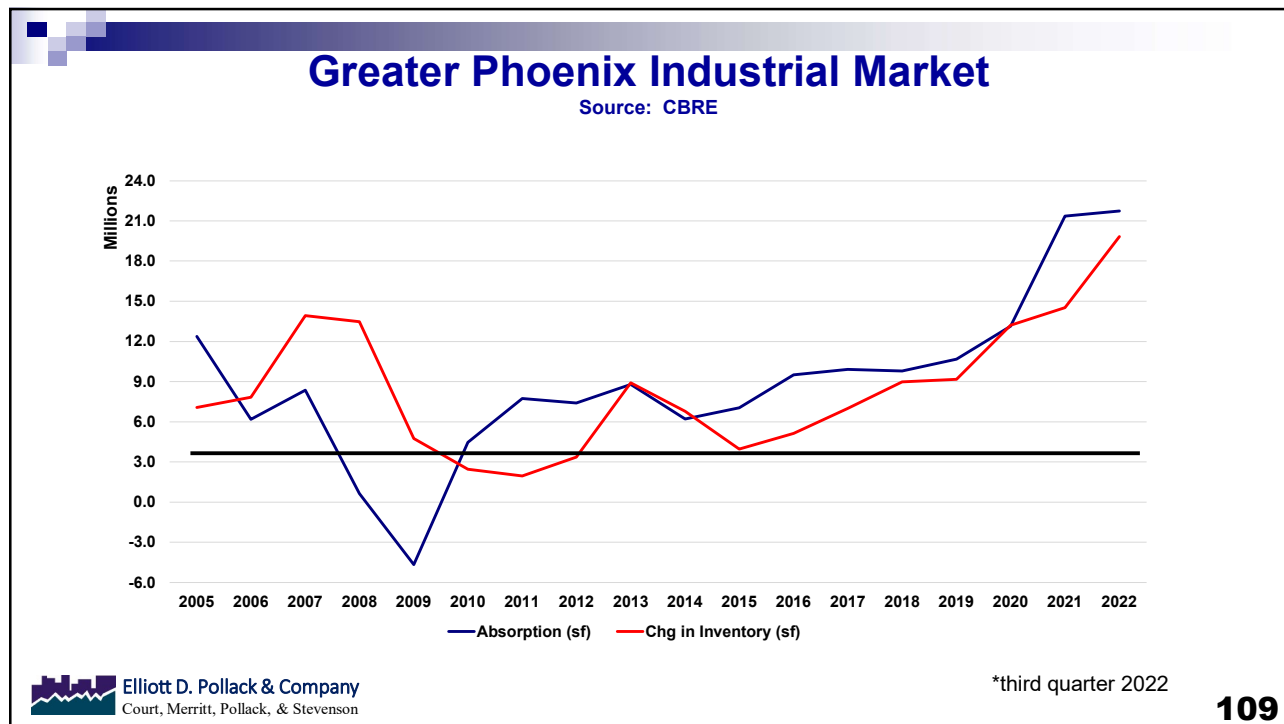


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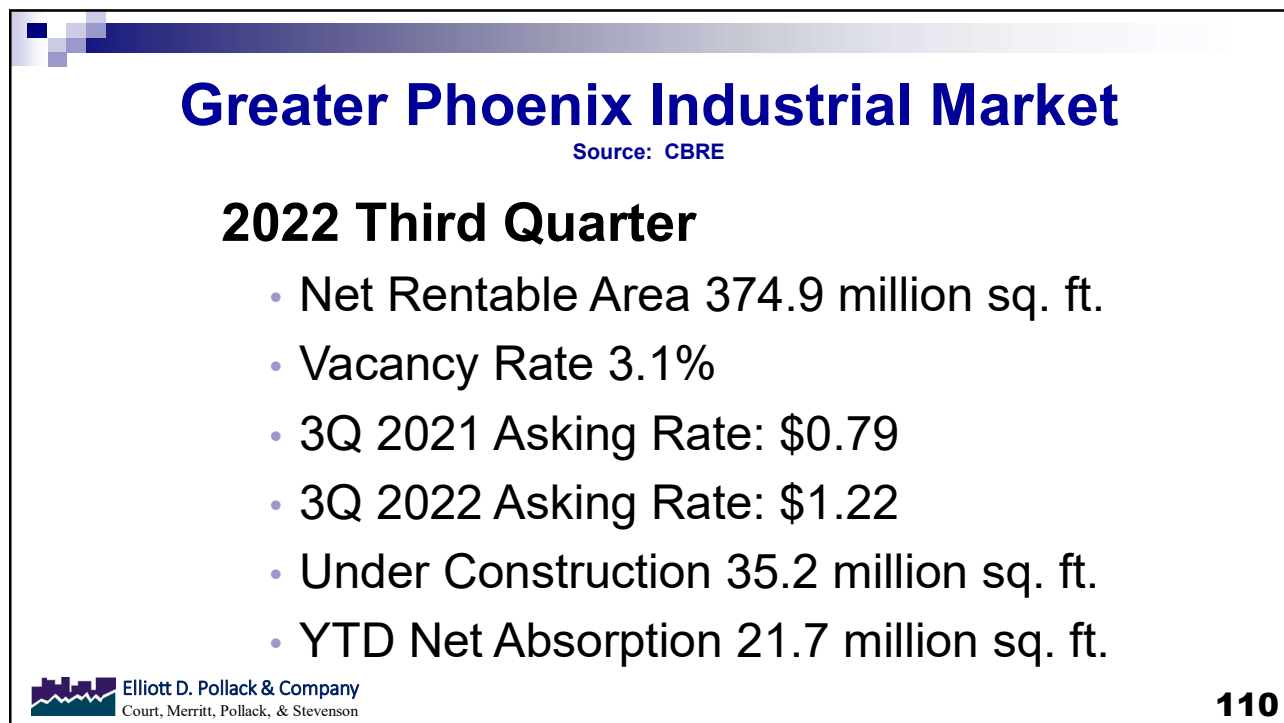
*Third quarter 2022

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RETAIL



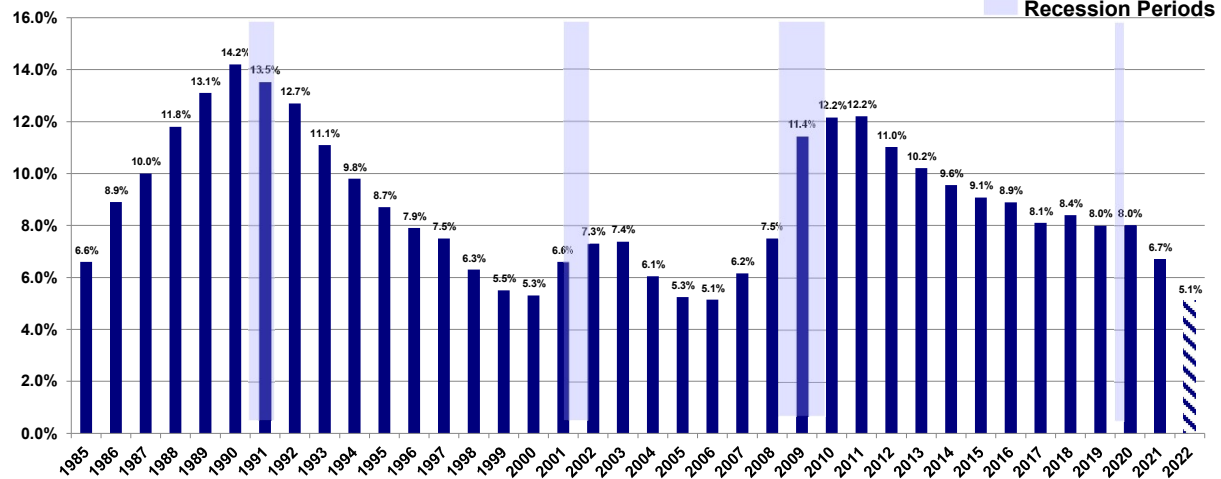
 Elliott D. Pollack & Company
Court, Merritt, Pollack, & Stevenson

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Retail Space Vacancy Rates Greater Phoenix 1985–2022*

Source: CBRE**



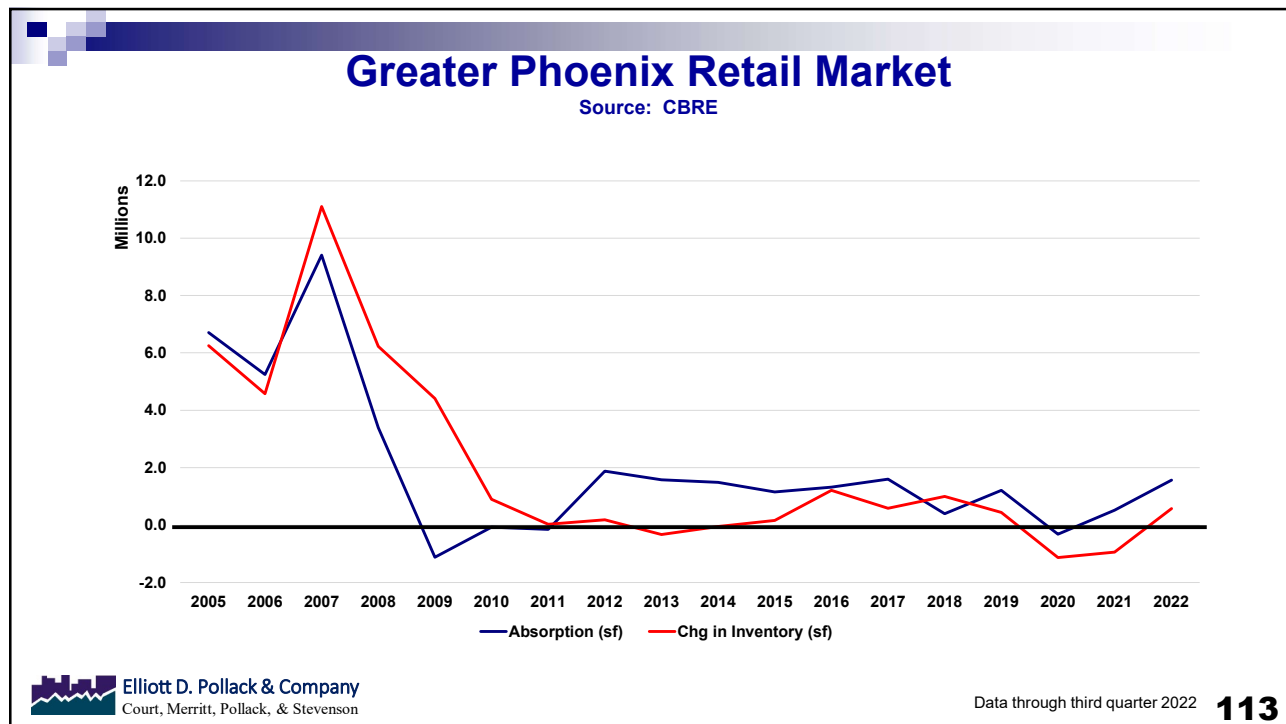
 Elliott D. Pollack & Company
Court, Merritt, Pollack, & Stevenson

*Third quarter 2022

** Data prior to 1992 is from Grubb & Ellis

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Arizona Conclusion Short Term

- The near term will be difficult
- But it is absolutely necessary.
- Tight but easing labor market
- Slower retail sales (temporarily)
- Inflation higher than U.S.
- Housing Affordability remains an issue

Arizona Conclusion Longer Term

- Arizona will continue to grow more rapidly than the U.S. as a whole.
- The water issue will be resolved as water usage becomes more efficient, especially for commercial and industrial. Less usage for agriculture and landscaping. Higher water prices.
- If the cities within the metro area get on board, housing affordability will improve. It is still unlikely to get back to pre-Covid affordability levels.
- Economic development activity will continue to thrive. Arizona will create more jobs than most places.
- Housing will cycle up dramatically but the nature of housing might be changing.

The long-term outlook is very good. The short term.....not so much.

- **25% Best Case** – Things work out as planned. Inflation is brought back under control quickly and smoothly and we all live happily ever after.
- **50% Base Scenario** – We are in for a rough ride. It will take a while but we get through it and the economic situation improves in 2024.
- **25% Worst Case** – Things get rocky. We end up with the actions of the Fed, Fiscal policy or black swan event causing things to be worse than anticipated.

FINANCE ADVISORY COMMITTEE CASH FLOW UPDATE

January 26, 2023

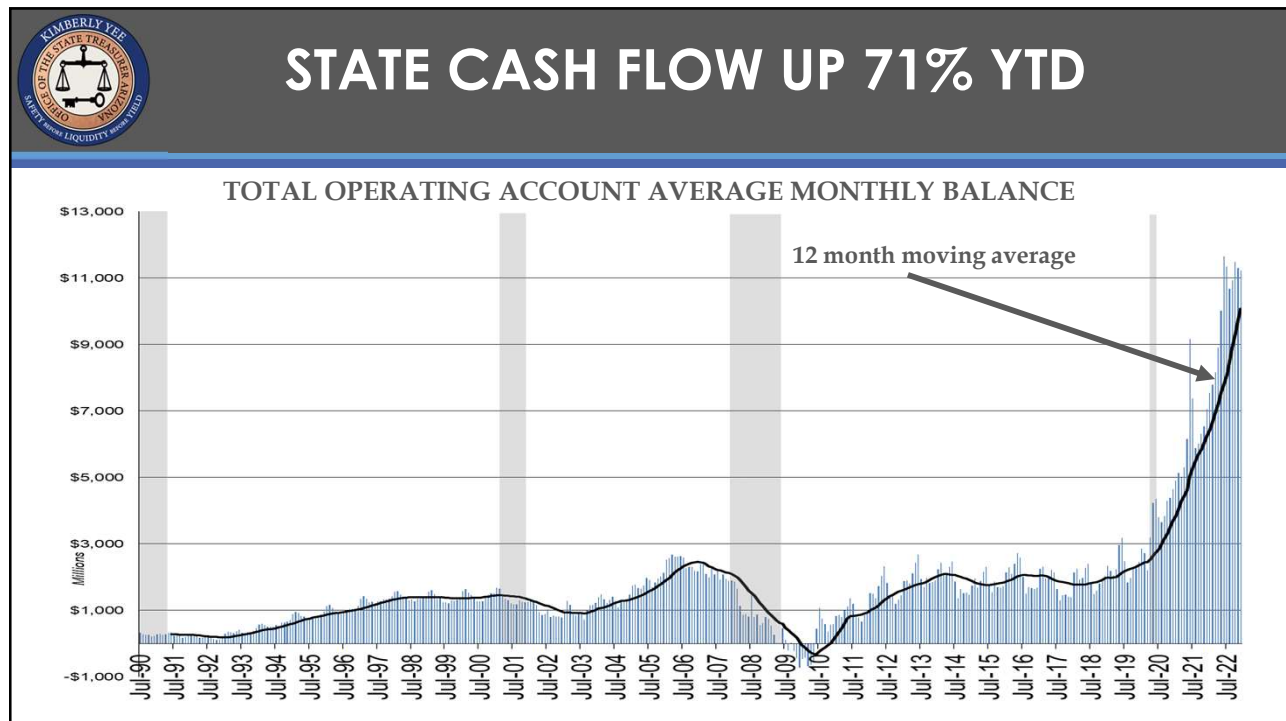
The Honorable Kimberly Yee

Treasurer

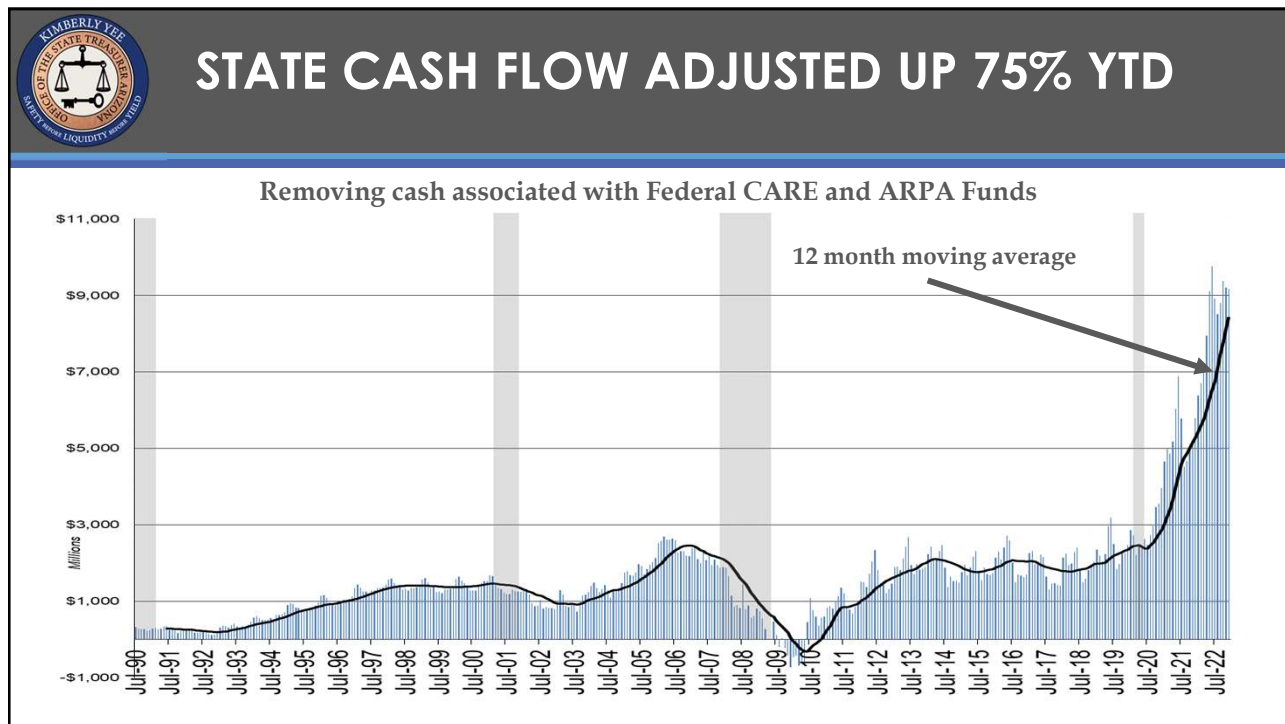
State of Arizona



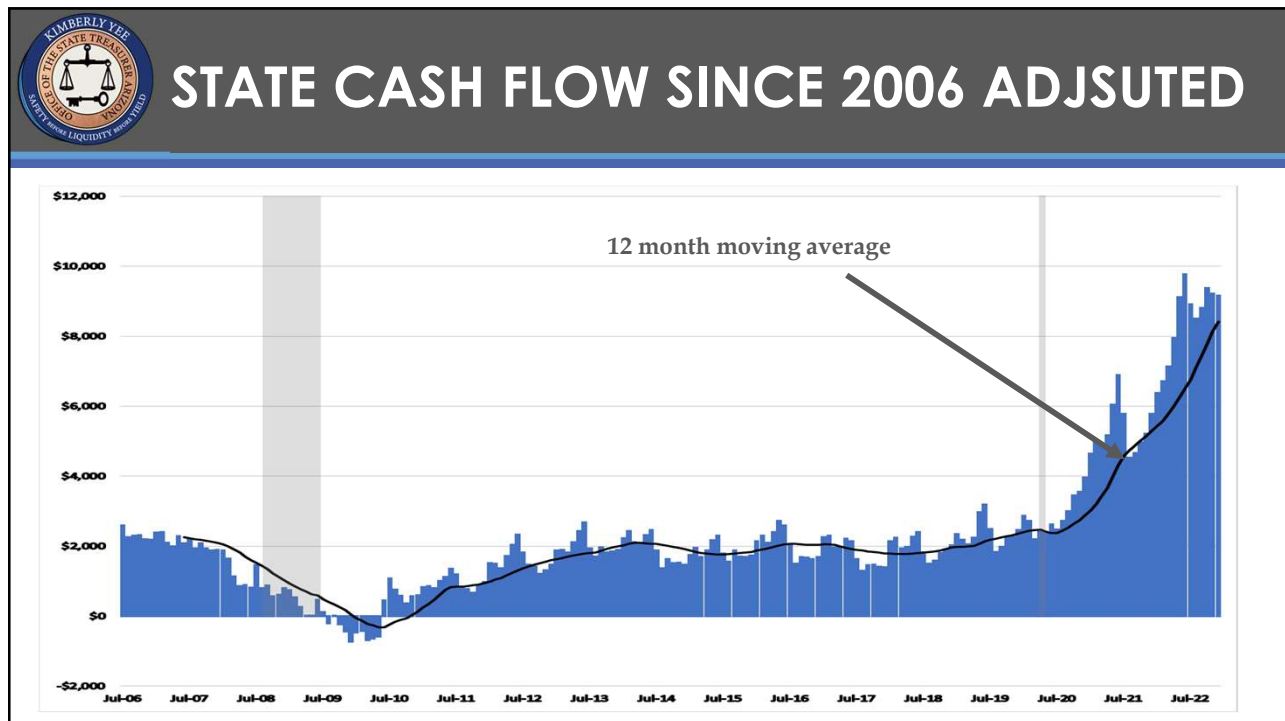
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Sales Tax

Arizona Sales Tax - Total (excl. 1% Tax)

General Fund Collections

		Collections (\$)	Year-to-Year % Change	Year-to-Date Collections (\$)	Year-to-Date % Change
FY 2018	July 2017	391,718,305	6.8%	391,718,305	6.8%
	Aug 2017	373,970,308	3.0%	765,688,613	4.9%
	Sep 2017	385,518,602	6.9%	1,151,207,216	5.6%
	Oct 2017	386,557,546	4.9%	1,537,764,762	5.4%
	Nov 2017	382,361,517	6.8%	1,920,126,279	5.7%
	Dec 2017	388,576,767	7.6%	2,308,703,046	6.0%
	Jan 2018	449,027,011	4.8%	2,757,730,057	5.8%
	Feb 2018	382,719,831	9.0%	3,140,449,887	6.2%
	Mar 2018	381,015,049	7.9%	3,521,464,936	6.4%
	Apr 2018	443,360,935	10.8%	3,964,825,872	6.8%
	May 2018	396,298,741	5.4%	4,361,124,613	6.7%
	June 2018	426,337,892	1.6%	4,787,462,504	6.2%
FY 2019	July 2018	410,810,104	4.9%	410,810,104	4.9%
	Aug 2018	406,008,572	8.6%	816,818,676	6.7%
	Sep 2018	416,392,278	8.0%	1,233,210,954	7.1%
	Oct 2018	408,148,956	5.6%	1,641,359,910	6.7%
	Nov 2018	413,010,729	8.0%	2,054,370,639	7.0%
	Dec 2018	418,682,790	7.7%	2,473,053,429	7.1%
	Jan 2019	477,534,483	6.3%	2,950,587,912	7.0%
	Feb 2019	407,044,303	6.4%	3,357,632,215	6.9%
	Mar 2019	394,874,553	3.6%	3,752,506,767	6.6%
	Apr 2019	471,874,786	6.4%	4,224,381,553	6.5%
	May 2019	432,794,335	9.2%	4,657,175,888	6.8%
	June 2019	439,575,368	3.1%	5,096,751,256	6.5%
FY 2020	July 2019	436,069,274	6.1%	436,069,274	6.1%
	Aug 2019	436,717,097	7.6%	872,786,371	6.9%
	Sep 2019	445,187,625	6.9%	1,317,973,997	6.9%
	Oct 2019	433,756,765	6.3%	1,751,730,761	6.7%
	Nov 2019	452,255,877	9.5%	2,203,986,638	7.3%
	Dec 2019	445,648,888	6.4%	2,649,635,526	7.1%
	Jan 2020	538,906,598	12.9%	3,188,542,124	8.1%
	Feb 2020	448,284,583	10.1%	3,636,826,707	8.3%
	Mar 2020	429,902,939	8.9%	4,066,729,646	8.4%
	Apr 2020	447,915,621	-5.1%	4,514,645,267	6.9%
	May 2020	393,262,758	-9.1%	4,907,908,024	5.4%
	June 2020	484,004,897	10.1%	5,391,912,921	5.8%
FY 2021	July 2020	492,729,052	13.0%	492,729,052	13.0%
	Aug 2020	479,794,971	9.9%	972,524,023	11.4%
	Sep 2020	491,053,111	10.3%	1,463,577,134	11.0%
	Oct 2020	503,156,817	16.0%	1,966,733,951	12.3%
	Nov 2020	493,399,028	9.1%	2,460,132,979	11.6%
	Dec 2020	495,240,238	11.1%	2,955,373,218	11.5%
	Jan 2021	588,513,600	9.2%	3,543,886,818	11.1%
	Feb 2021	477,617,209	6.5%	4,021,504,027	10.6%
	Mar 2021	477,928,300	11.2%	4,499,432,327	10.6%
	Apr 2021	596,100,248	33.1%	5,095,532,575	12.9%
	May 2021	551,912,319	40.3%	5,647,444,895	15.1%
	June 2021	596,061,211	23.2%	6,243,506,106	15.8%
FY 2022	July 2021	580,889,609	17.9%	580,889,609	17.9%
	Aug 2021	554,472,436	15.6%	1,135,362,045	16.7%
	Sep 2021	556,907,948	13.4%	1,692,269,993	15.6%
	Oct 2021	577,638,316	14.8%	2,269,908,309	15.4%
	Nov 2021	568,682,990	15.3%	2,838,591,299	15.4%
	Dec 2021	589,027,512	18.9%	3,427,618,811	16.0%
	Jan 2022	682,332,435	15.9%	4,109,951,246	16.0%
	Feb 2022	562,110,851	17.7%	4,672,062,097	16.2%
	Mar 2022	569,277,905	19.1%	5,241,340,002	16.5%
	Apr 2022	681,308,275	14.3%	5,922,648,277	16.2%
	May 2022	638,095,809	15.6%	6,560,744,087	16.2%
	June 2022	648,065,328	8.7%	7,208,809,415	15.5%
FY 2023	July 2022	649,002,026	11.7%	649,002,026	11.7%
	Aug 2022	601,002,513	8.4%	1,250,004,539	10.1%
	Sep 2022	635,296,332	14.1%	1,885,300,871	11.4%
	Oct 2022	607,637,076	5.2%	2,492,937,947	9.8%
	Nov 2022	627,591,891	10.4%	3,120,529,839	9.9%
	Dec 2022	594,136,979	0.9%	3,714,666,817	8.4%
	Jan 2023				
	Feb 2023				
	Mar 2023				
	Apr 2023				
	May 2023				
	June 2023				

Arizona Sales Tax - Regular Retail & Remote Sellers

General Fund Collections

		Collections (\$)	Year-to-Year % Change	Year-to-Date Collections (\$)	Year-to-Date % Change
FY 2018	July 2017	203,771,087	6.3%	203,771,087	6.3%
	Aug 2017	184,109,690	-0.1%	387,880,778	3.1%
	Sep 2017	195,211,511	6.9%	583,092,289	4.4%
	Oct 2017	196,271,210	6.2%	779,363,499	4.8%
	Nov 2017	191,119,858	3.7%	970,483,357	4.6%
	Dec 2017	208,137,166	4.7%	1,178,620,523	4.6%
	Jan 2018	257,650,339	2.9%	1,436,270,862	4.3%
	Feb 2018	196,922,230	7.5%	1,633,193,092	4.7%
	Mar 2018	196,685,380	6.8%	1,829,878,473	4.9%
	Apr 2018	235,179,996	11.6%	2,065,058,469	5.6%
	May 2018	205,506,503	3.6%	2,270,564,972	5.4%
	June 2018	217,432,053	6.0%	2,487,997,025	5.5%
FY 2019	July 2018	211,283,576	3.7%	211,283,576	3.7%
	Aug 2018	202,208,161	9.8%	413,491,737	6.6%
	Sep 2018	208,891,354	7.0%	622,383,092	6.7%
	Oct 2018	205,985,537	4.9%	828,368,629	6.3%
	Nov 2018	207,912,123	8.8%	1,036,280,752	6.8%
	Dec 2018	229,232,904	10.1%	1,265,513,656	7.4%
	Jan 2019	270,182,375	4.9%	1,535,696,031	6.9%
	Feb 2019	204,651,086	3.9%	1,740,347,117	6.6%
	Mar 2019	198,881,113	1.1%	1,939,228,230	6.0%
	Apr 2019	244,467,741	3.9%	2,183,695,971	5.7%
	May 2019	230,772,633	12.3%	2,414,468,604	6.3%
	June 2019	229,811,618	5.7%	2,644,280,223	6.3%
FY 2020	July 2019	223,326,583	5.7%	223,326,583	5.7%
	Aug 2019	218,515,683	8.1%	441,842,266	6.9%
	Sep 2019	224,401,132	7.4%	666,243,399	7.0%
	Oct 2019	212,336,234	3.1%	878,579,632	6.1%
	Nov 2019	236,382,751	13.7%	1,114,962,384	7.6%
	Dec 2019	252,497,849	10.1%	1,367,460,233	8.1%
	Jan 2020	315,791,536	16.9%	1,683,251,768	9.6%
	Feb 2020	234,731,751	14.7%	1,917,983,519	10.2%
	Mar 2020	229,931,702	15.6%	2,147,915,221	10.8%
	Apr 2020	249,138,085	1.9%	2,397,053,306	9.8%
	May 2020	223,718,010	-3.1%	2,620,771,316	8.5%
	June 2020	264,593,878	15.1%	2,885,365,194	9.1%
FY 2021	July 2020	273,800,573	22.6%	273,800,573	22.6%
	Aug 2020	257,575,366	17.9%	531,375,939	20.3%
	Sep 2020	264,800,881	18.0%	796,176,820	19.5%
	Oct 2020	267,653,488	26.1%	1,063,830,308	21.1%
	Nov 2020	267,424,771	13.1%	1,331,255,079	19.4%
	Dec 2020	285,382,132	13.0%	1,616,637,211	18.2%
	Jan 2021	351,313,504	11.2%	1,967,950,715	16.9%
	Feb 2021	268,800,217	14.5%	2,236,750,932	16.6%
	Mar 2021	272,317,067	18.4%	2,509,067,999	16.8%
	Apr 2021	342,709,852	37.6%	2,851,777,851	19.0%
	May 2021	317,349,517	41.9%	3,169,127,369	20.9%
	June 2021	320,750,665	21.2%	3,489,878,034	21.0%
FY 2022	July 2021	319,649,717	16.7%	319,649,717	16.7%
	Aug 2021	297,331,498	15.4%	616,981,215	16.1%
	Sep 2021	301,530,421	13.9%	918,511,635	15.4%
	Oct 2021	310,168,248	15.9%	1,228,679,883	15.5%
	Nov 2021	312,439,630	16.8%	1,541,119,513	15.8%
	Dec 2021	334,025,154	17.0%	1,875,144,667	16.0%
	Jan 2022	407,877,950	16.1%	2,283,022,616	16.0%
	Feb 2022	309,741,564	15.2%	2,592,764,180	15.9%
	Mar 2022	309,403,242	13.6%	2,902,167,422	15.7%
	Apr 2022	379,046,748	10.6%	3,281,214,170	15.1%
	May 2022	355,089,076	11.9%	3,636,303,245	14.7%
	June 2022	331,140,076	3.2%	3,967,443,321	13.7%
FY 2023	July 2022	342,071,303	7.0%	342,071,303	7.0%
	Aug 2022	317,888,542	6.9%	659,959,844	7.0%
	Sep 2022	331,752,168	10.0%	991,712,013	8.0%
	Oct 2022	319,878,640	3.1%	1,311,590,653	6.7%
	Nov 2022	340,318,677	8.9%	1,651,909,330	7.2%
	Dec 2022	344,027,858	3.0%	1,995,937,189	6.4%
	Jan 2023				
	Feb 2023				
	Mar 2023				
	Apr 2023				
	May 2023				
	June 2023				

Arizona Sales Tax - Prime Contracting

General Fund Collections

		Collections (\$)	Year-to-Year % Change	Year-to-Date Collections (\$)	Year-to-Date % Change
FY 2018	July 2017	43,303,966	15.2%	43,303,966	15.2%
	Aug 2017	39,095,558	5.7%	82,399,524	10.5%
	Sep 2017	43,713,382	27.7%	126,112,906	15.9%
	Oct 2017	36,271,765	-2.0%	162,384,671	11.4%
	Nov 2017	44,463,014	19.7%	206,847,686	13.1%
	Dec 2017	40,779,424	15.3%	247,627,110	13.4%
	Jan 2018	44,888,908	8.6%	292,516,018	12.7%
	Feb 2018	41,908,543	25.4%	334,424,561	14.1%
	Mar 2018	38,888,366	15.9%	373,312,927	14.3%
	Apr 2018	46,395,449	16.0%	419,708,375	14.5%
	May 2018	44,795,395	22.0%	464,503,770	15.2%
	June 2018	48,249,076	14.2%	512,752,846	15.1%
FY 2019	July 2018	49,711,167	14.8%	49,711,167	14.8%
	Aug 2018	47,561,917	21.7%	97,273,084	18.1%
	Sep 2018	47,553,309	8.8%	144,826,394	14.8%
	Oct 2018	47,053,948	29.7%	191,880,341	18.2%
	Nov 2018	47,964,825	7.9%	239,845,167	16.0%
	Dec 2018	46,582,055	14.2%	286,427,222	15.7%
	Jan 2019	55,259,125	23.1%	341,686,347	16.8%
	Feb 2019	47,005,862	12.2%	388,692,209	16.2%
	Mar 2019	45,513,581	17.0%	434,205,790	16.3%
	Apr 2019	50,869,242	9.6%	485,075,033	15.6%
	May 2019	52,356,829	16.9%	537,431,861	15.7%
	June 2019	53,931,765	11.8%	591,363,626	15.3%
FY 2020	July 2019	56,888,601	14.4%	56,888,601	14.4%
	Aug 2019	56,066,506	17.9%	112,955,107	16.1%
	Sep 2019	57,687,928	21.3%	170,643,034	17.8%
	Oct 2019	53,454,327	13.6%	224,097,362	16.8%
	Nov 2019	57,244,999	19.3%	281,342,361	17.3%
	Dec 2019	55,338,552	18.8%	336,680,912	17.5%
	Jan 2020	58,626,740	6.1%	395,307,652	15.7%
	Feb 2020	52,838,714	12.4%	448,146,366	15.3%
	Mar 2020	52,860,592	16.1%	501,006,958	15.4%
	Apr 2020	60,314,033	18.6%	561,320,991	15.7%
	May 2020	59,691,556	14.0%	621,012,547	15.6%
	June 2020	66,229,337	22.8%	687,241,884	16.2%
FY 2021	July 2020	71,164,940	25.1%	71,164,940	25.1%
	Aug 2020	67,947,682	21.2%	139,112,622	23.2%
	Sep 2020	64,339,039	11.5%	203,451,661	19.2%
	Oct 2020	65,835,028	23.2%	269,286,689	20.2%
	Nov 2020	71,392,726	24.7%	340,679,415	21.1%
	Dec 2020	60,850,051	10.0%	401,529,466	19.3%
	Jan 2021	75,668,105	29.1%	477,197,571	20.7%
	Feb 2021	57,746,737	9.3%	534,944,308	19.4%
	Mar 2021	55,224,670	4.5%	590,168,978	17.8%
	Apr 2021	63,523,092	5.3%	653,692,070	16.5%
	May 2021	58,798,985	-1.5%	712,491,055	14.7%
	June 2021	68,626,727	3.6%	781,117,782	13.7%
FY 2022	July 2021	70,554,984	-0.9%	70,554,984	-0.9%
	Aug 2021	61,523,296	-9.5%	132,078,280	-5.1%
	Sep 2021	64,422,550	0.1%	196,500,829	-3.4%
	Oct 2021	69,929,932	6.2%	266,430,761	-1.1%
	Nov 2021	66,876,078	-6.3%	333,306,839	-2.2%
	Dec 2021	66,443,067	9.2%	399,749,907	-0.4%
	Jan 2022	81,066,849	7.1%	480,816,756	0.8%
	Feb 2022	63,459,736	9.9%	544,276,492	1.7%
	Mar 2022	73,239,002	32.6%	617,515,494	4.6%
	Apr 2022	81,727,555	28.7%	699,243,050	7.0%
	May 2022	77,176,972	31.3%	776,420,022	9.0%
	June 2022	86,650,119	26.3%	863,070,141	10.5%
FY 2023	July 2022	88,081,405	24.8%	88,081,405	24.8%
	Aug 2022	79,575,020	29.3%	167,656,425	26.9%
	Sep 2022	88,873,472	38.0%	256,529,897	30.5%
	Oct 2022	86,844,972	24.2%	343,374,869	28.9%
	Nov 2022	85,698,258	28.1%	429,073,127	28.7%
	Dec 2022	57,217,405	-13.9%	486,290,532	21.6%
	Jan 2023				
	Feb 2023				
	Mar 2023				
	Apr 2023				
	May 2023				
	June 2023				

Arizona Sales Tax - Utilities

General Fund Collections

		Collections (\$)	Year-to-Year % Change	Year-to-Date Collections (\$)	Year-to-Date % Change
FY 2018	July 2017	40,220,498	-0.9%	40,220,498	-0.9%
	Aug 2017	54,019,726	7.0%	94,240,225	3.5%
	Sep 2017	48,951,872	-4.5%	143,192,097	0.6%
	Oct 2017	47,131,080	4.4%	190,323,176	1.5%
	Nov 2017	39,890,984	8.0%	230,214,161	2.6%
	Dec 2017	30,634,937	-1.0%	260,849,097	2.2%
	Jan 2018	29,341,010	1.1%	290,190,107	2.1%
	Feb 2018	33,438,080	6.4%	323,628,187	2.5%
	Mar 2018	29,918,394	5.1%	353,546,581	2.7%
	Apr 2018	30,126,222	7.9%	383,672,804	3.1%
	May 2018	29,777,970	6.0%	413,450,774	3.3%
	June 2018	35,825,053	11.0%	449,275,827	3.9%
FY 2019	July 2018	41,078,965	2.1%	41,078,965	2.1%
	Aug 2018	51,785,222	-4.1%	92,864,186	-1.5%
	Sep 2018	52,130,044	6.5%	144,994,230	1.3%
	Oct 2018	45,397,828	-3.7%	190,392,059	0.0%
	Nov 2018	39,423,823	-1.2%	229,815,882	-0.2%
	Dec 2018	29,793,218	-2.7%	259,609,099	-0.5%
	Jan 2019	30,654,435	4.5%	290,263,535	0.0%
	Feb 2019	34,918,864	4.4%	325,182,398	0.5%
	Mar 2019	31,586,609	5.6%	356,769,007	0.9%
	Apr 2019	29,724,183	-1.3%	386,493,190	0.7%
	May 2019	28,897,465	-3.0%	415,390,655	0.5%
	June 2019	32,846,398	-8.3%	448,237,053	-0.2%
FY 2020	July 2019	36,659,315	-10.8%	36,659,315	-10.8%
	Aug 2019	49,038,211	-5.3%	85,697,526	-7.7%
	Sep 2019	51,711,308	-0.8%	137,408,835	-5.2%
	Oct 2019	48,413,036	6.6%	185,821,870	-2.4%
	Nov 2019	37,486,359	-4.9%	223,308,229	-2.8%
	Dec 2019	23,301,623	-21.8%	246,609,852	-5.0%
	Jan 2020	26,842,938	-12.4%	273,452,790	-5.8%
	Feb 2020	34,230,436	-2.0%	307,683,226	-5.4%
	Mar 2020	29,030,736	-8.1%	336,713,962	-5.6%
	Apr 2020	28,471,573	-4.2%	365,185,535	-5.5%
	May 2020	26,497,521	-8.3%	391,683,056	-5.7%
	June 2020	34,838,601	6.1%	426,521,657	-4.8%
FY 2021	July 2020	39,448,529	7.6%	39,448,529	7.6%
	Aug 2020	51,924,110	5.9%	91,372,638	6.6%
	Sep 2020	55,164,846	6.7%	146,537,484	6.6%
	Oct 2020	51,322,090	6.0%	197,859,574	6.5%
	Nov 2020	42,457,722	13.3%	240,317,296	7.6%
	Dec 2020	32,213,195	38.2%	272,530,491	10.5%
	Jan 2021	31,597,819	17.7%	304,128,310	11.2%
	Feb 2021	34,478,804	0.7%	338,607,113	10.1%
	Mar 2021	32,133,928	10.7%	370,741,042	10.1%
	Apr 2021	30,945,050	8.7%	401,686,091	10.0%
	May 2021	32,220,326	21.6%	433,906,417	10.8%
	June 2021	33,975,275	-2.5%	467,881,692	9.7%
FY 2022	July 2021	47,974,619	21.6%	47,974,619	21.6%
	Aug 2021	54,290,364	4.6%	102,264,982	11.9%
	Sep 2021	51,953,431	-5.8%	154,218,413	5.2%
	Oct 2021	48,053,673	-6.4%	202,272,086	2.2%
	Nov 2021	37,785,102	-11.0%	240,057,188	-0.1%
	Dec 2021	35,418,309	9.9%	275,475,497	1.1%
	Jan 2022	24,452,105	-22.6%	299,927,603	-1.4%
	Feb 2022	40,053,874	16.2%	339,981,477	0.4%
	Mar 2022	30,073,191	-6.4%	370,054,668	-0.2%
	Apr 2022	34,097,444	10.2%	404,152,112	0.6%
	May 2022	33,441,255	3.8%	437,593,366	0.8%
	June 2022	39,402,234	16.0%	476,995,601	1.9%
FY 2023	July 2022	47,461,438	-1.1%	47,461,438	-1.1%
	Aug 2022	52,016,083	-4.2%	99,477,522	-2.7%
	Sep 2022	58,972,741	13.5%	158,450,263	2.7%
	Oct 2022	12,116,591	-74.8%	170,566,854	-15.7%
	Nov 2022	42,608,630	12.8%	213,175,484	-11.2%
	Dec 2022	22,382,455	-36.8%	235,557,939	-14.5%
	Jan 2023				
	Feb 2023				
	Mar 2023				
	Apr 2023				
	May 2023				
	June 2023				

Arizona Sales Tax - Restaurants and Bars

General Fund Collections

		Collections (\$)	Year-to-Year % Change	Year-to-Date Collections (\$)	Year-to-Date % Change
FY 2018	July 2017	39,947,222	5.6%	39,947,222	5.6%
	Aug 2017	37,853,693	-0.4%	77,800,915	2.6%
	Sep 2017	38,447,779	4.3%	116,248,693	3.2%
	Oct 2017	42,177,309	10.9%	158,426,003	5.1%
	Nov 2017	43,402,376	6.2%	201,828,379	5.3%
	Dec 2017	41,369,720	6.1%	243,198,099	5.5%
	Jan 2018	47,551,887	10.6%	290,749,986	6.3%
	Feb 2018	43,656,971	4.3%	334,406,957	6.0%
	Mar 2018	47,034,314	7.6%	381,441,271	6.2%
	Apr 2018	53,014,702	7.2%	434,455,972	6.3%
	May 2018	48,989,618	3.3%	483,445,590	6.0%
	June 2018	45,950,547	2.7%	529,396,137	5.7%
FY 2019	July 2018	43,200,005	8.1%	43,200,005	8.1%
	Aug 2018	41,011,071	8.3%	84,211,076	8.2%
	Sep 2018	40,747,922	6.0%	124,958,998	7.5%
	Oct 2018	44,016,961	4.4%	168,975,959	6.7%
	Nov 2018	45,529,388	4.9%	214,505,346	6.3%
	Dec 2018	45,197,278	9.3%	259,702,624	6.8%
	Jan 2019	47,547,380	0.0%	307,250,003	5.7%
	Feb 2019	47,954,092	9.8%	355,204,096	6.2%
	Mar 2019	47,955,894	2.0%	403,159,990	5.7%
	Apr 2019	57,883,518	9.2%	461,043,507	6.1%
	May 2019	50,901,617	3.9%	511,945,125	5.9%
	June 2019	50,117,983	9.1%	562,063,107	6.2%
FY 2020	July 2019	46,012,175	6.5%	46,012,175	6.5%
	Aug 2019	43,710,684	6.6%	89,722,859	6.5%
	Sep 2019	45,009,825	10.5%	134,732,684	7.8%
	Oct 2019	46,200,843	5.0%	180,933,527	7.1%
	Nov 2019	48,456,937	6.4%	229,390,465	6.9%
	Dec 2019	50,004,874	10.6%	279,395,339	7.6%
	Jan 2020	51,824,094	9.0%	331,219,433	7.8%
	Feb 2020	50,023,328	4.3%	381,242,761	7.3%
	Mar 2020	45,155,773	-5.8%	426,398,534	5.8%
	Apr 2020	38,366,785	-33.7%	464,765,318	0.8%
	May 2020	29,828,564	-41.4%	494,593,882	-3.4%
	June 2020	39,382,889	-21.4%	533,976,771	-5.0%
FY 2021	July 2020	40,907,119	-11.1%	40,907,119	-11.1%
	Aug 2020	37,442,715	-14.3%	78,349,834	-12.7%
	Sep 2020	39,944,179	-11.3%	118,294,013	-12.2%
	Oct 2020	42,270,457	-8.5%	160,564,470	-11.3%
	Nov 2020	44,147,506	-8.9%	204,711,976	-10.8%
	Dec 2020	43,880,675	-12.2%	248,592,651	-11.0%
	Jan 2021	44,683,249	-13.8%	293,275,900	-11.5%
	Feb 2021	44,540,805	-11.0%	337,816,705	-11.4%
	Mar 2021	48,688,030	7.8%	386,504,735	-9.4%
	Apr 2021	59,496,182	55.1%	446,000,916	-4.0%
	May 2021	56,725,663	90.2%	502,726,579	1.6%
	June 2021	59,924,589	52.2%	562,651,168	5.4%
FY 2022	July 2021	53,943,601	31.9%	53,943,601	31.9%
	Aug 2021	53,915,215	44.0%	107,858,817	37.7%
	Sep 2021	52,010,680	30.2%	159,869,497	35.1%
	Oct 2021	54,903,661	29.9%	214,773,158	33.8%
	Nov 2021	60,795,598	37.7%	275,568,756	34.6%
	Dec 2021	57,213,946	30.4%	332,782,702	33.9%
	Jan 2022	62,926,346	40.8%	395,709,048	34.9%
	Feb 2022	56,398,625	26.6%	452,107,673	33.8%
	Mar 2022	62,536,745	28.4%	514,644,417	33.2%
	Apr 2022	72,652,036	22.1%	587,296,453	31.7%
	May 2022	66,694,941	17.6%	653,991,394	30.1%
	June 2022	66,713,832	11.3%	720,705,227	28.1%
FY 2023	July 2022	66,756,339	23.8%	66,756,339	23.8%
	Aug 2022	58,463,109	8.4%	125,219,449	16.1%
	Sep 2022	58,698,373	12.9%	183,917,822	15.0%
	Oct 2022	62,023,880	13.0%	245,941,701	14.5%
	Nov 2022	65,890,346	8.4%	311,832,047	13.2%
	Dec 2022	63,387,489	10.8%	375,219,536	12.8%
	Jan 2023				
	Feb 2023				
	Mar 2023				
	Apr 2023				
	May 2023				
	June 2023				

Arizona Use Tax

General Fund Collections

		Collections (\$)	Year-to-Year % Change	Year-to-Date Collections (\$)	Year-to-Date % Change
FY 2018	July 2017	27,670,923	6.8%	27,670,923	6.8%
	Aug 2017	24,308,694	18.0%	51,979,618	11.8%
	Sep 2017	27,797,629	22.2%	79,777,247	15.2%
	Oct 2017	28,006,834	-5.7%	107,784,080	9.0%
	Nov 2017	25,261,576	0.5%	133,045,656	7.2%
	Dec 2017	29,261,181	24.5%	162,306,836	10.0%
	Jan 2018	32,387,233	6.5%	194,694,069	9.4%
	Feb 2018	26,378,049	6.2%	221,072,118	9.0%
	Mar 2018	26,448,279	9.7%	247,520,397	9.1%
	Apr 2018	28,930,734	13.2%	276,451,131	9.5%
	May 2018	25,879,813	6.8%	302,330,944	9.3%
	June 2018	24,870,027	2.7%	327,200,971	8.7%
FY 2019	July 2018	24,548,308	-11.3%	24,548,308	-11.3%
	Aug 2018	28,065,802	15.5%	52,614,110	1.2%
	Sep 2018	32,039,914	15.3%	84,654,024	6.1%
	Oct 2018	29,372,401	4.9%	114,026,425	5.8%
	Nov 2018	31,698,330	25.5%	145,724,754	9.5%
	Dec 2018	29,443,336	0.6%	175,168,090	7.9%
	Jan 2019	36,533,737	12.8%	211,701,827	8.7%
	Feb 2019	30,532,593	15.8%	242,234,420	9.6%
	Mar 2019	27,391,890	3.6%	269,626,310	8.9%
	Apr 2019	36,181,633	25.1%	305,807,944	10.6%
	May 2019	26,091,598	0.8%	331,899,542	9.8%
	June 2019	30,127,203	21.1%	362,026,745	10.6%
FY 2020	July 2019	32,247,364	31.4%	32,247,364	31.4%
	Aug 2019	31,666,706	12.8%	63,914,070	21.5%
	Sep 2019	30,812,578	-3.8%	94,726,649	11.9%
	Oct 2019	35,078,969	19.4%	129,805,618	13.8%
	Nov 2019	30,788,839	-2.9%	160,594,457	10.2%
	Dec 2019	23,638,081	-19.7%	184,232,538	5.2%
	Jan 2020	40,950,483	12.1%	225,183,021	6.4%
	Feb 2020	32,987,125	8.0%	258,170,146	6.6%
	Mar 2020	29,721,256	8.5%	287,891,402	6.8%
	Apr 2020	35,658,140	-1.4%	323,549,542	5.8%
	May 2020	28,299,778	8.5%	351,849,320	6.0%
	June 2020	32,414,184	7.6%	384,263,505	6.1%
FY 2021	July 2020	35,409,973	9.8%	35,409,973	9.8%
	Aug 2020	33,435,909	5.6%	68,845,882	7.7%
	Sep 2020	35,448,520	15.0%	104,294,402	10.1%
	Oct 2020	40,023,909	14.1%	144,318,311	11.2%
	Nov 2020	35,797,331	16.3%	180,115,642	12.2%
	Dec 2020	38,800,162	64.1%	218,915,803	18.8%
	Jan 2021	49,405,507	20.6%	268,321,311	19.2%
	Feb 2021	38,613,306	17.1%	306,934,617	18.9%
	Mar 2021	29,825,679	0.4%	336,760,295	17.0%
	Apr 2021	44,034,605	23.5%	380,794,900	17.7%
	May 2021	37,687,218	33.2%	418,482,118	18.9%
	June 2021	31,283,425	-3.5%	449,765,543	17.0%
FY 2022	July 2021	38,544,284	8.9%	38,544,284	8.9%
	Aug 2021	38,550,390	15.3%	77,094,674	12.0%
	Sep 2021	42,273,217	19.3%	119,367,892	14.5%
	Oct 2021	45,567,346	13.9%	164,935,237	14.3%
	Nov 2021	37,887,460	5.8%	202,822,697	12.6%
	Dec 2021	42,607,622	9.8%	245,430,319	12.1%
	Jan 2022	50,922,803	3.1%	296,353,122	10.4%
	Feb 2022	43,158,381	11.8%	339,511,503	10.6%
	Mar 2022	36,465,930	22.3%	375,977,433	11.6%
	Apr 2022	43,739,945	-0.7%	419,717,378	10.2%
	May 2022	44,056,872	16.9%	463,774,250	10.8%
	June 2022	39,105,929	25.0%	502,880,178	11.8%
FY 2023	July 2022	49,014,542	27.2%	49,014,542	27.2%
	Aug 2022	44,381,003	15.1%	93,395,545	21.1%
	Sep 2022	50,335,511	19.1%	143,731,056	20.4%
	Oct 2022	51,850,061	13.8%	195,581,117	18.6%
	Nov 2022	36,492,256	-3.7%	232,073,373	14.4%
	Dec 2022	35,396,107	-16.9%	267,469,480	9.0%
	Jan 2023				
	Feb 2023				
	Mar 2023				
	Apr 2023				
	May 2023				
	June 2023				

Individual Income Tax

**Arizona Individual Income Tax
General Fund Collections**

		Year-to-Date				Year-to-Date				Year-to-Date				Year-to-Date			
		Total	Y/Y Chg.	Total	YTD Chg.	Withholding	Y/Y Chg.	Withholding	YTD Chg.	Payments	Y/Y Chg.	Payments	YTD Chg.	Refunds	Y/Y Chg.	Refunds	YTD Chg.
FY 2018	Jul-17	367,404,256	19.1%	367,404,256	19.1%	360,508,823	18.1%	360,508,823	18.1%	22,390,542	8.1%	22,390,542	8.1%	(15,495,109)	-11.6%	(15,495,109)	-11.6%
	Aug	334,741,567	-5.7%	702,145,823	5.8%	330,301,901	-5.7%	690,810,724	5.4%	21,181,908	-8.5%	43,572,450	-0.6%	(16,742,243)	-9.8%	(32,237,352)	-10.7%
	Sep	428,215,100	4.7%	1,130,360,923	5.4%	313,046,438	5.2%	1,003,857,162	5.3%	132,809,433	6.2%	176,381,883	4.4%	(17,640,771)	30.9%	(49,878,122)	0.6%
	Oct	367,613,957	0.9%	1,497,974,880	4.3%	372,489,974	8.4%	1,376,347,136	6.1%	76,057,356	28.1%	252,439,239	10.6%	(80,933,372)	108.7%	(130,811,495)	48.1%
	Nov	315,576,388	0.0%	1,813,551,268	3.5%	331,096,487	3.6%	1,707,443,624	5.6%	20,437,018	-49.4%	272,876,257	1.6%	(35,957,118)	-19.4%	(166,768,613)	25.4%
	Dec	574,038,633	39.4%	2,387,589,901	10.3%	359,585,688	4.6%	2,067,029,312	5.4%	217,652,109	116.5%	490,528,366	32.8%	(3,199,164)	-90.2%	(169,967,776)	2.7%
	Jan-18	632,238,007	14.3%	3,019,827,909	11.1%	426,870,373	10.1%	2,493,899,685	6.2%	215,884,116	22.5%	706,412,482	29.5%	(10,516,482)	-1.9%	(180,484,259)	2.4%
	Feb	48,027,987	-27.7%	3,067,855,895	10.2%	353,296,738	9.5%	2,847,196,423	6.6%	25,047,178	18.1%	731,459,659	29.1%	(330,315,929)	19.1%	(510,800,188)	12.6%
	Mar	123,022,855	16.3%	3,190,878,750	10.4%	388,247,240	2.5%	3,235,443,664	6.1%	77,088,493	11.8%	808,548,153	27.2%	(342,312,878)	0.1%	(853,113,066)	7.2%
	Apr	583,253,716	7.2%	3,774,132,466	9.9%	386,705,825	21.0%	3,622,149,488	7.5%	583,884,240	-1.6%	1,392,432,393	13.3%	(387,336,349)	4.9%	(1,240,449,415)	6.5%
	May	349,412,717	18.5%	4,123,545,183	10.6%	345,431,058	-4.9%	3,967,580,546	6.3%	84,927,394	120.0%	1,477,359,787	16.5%	(80,945,735)	-24.3%	(1,321,395,150)	3.9%
	Jun	420,453,224	4.5%	4,543,998,407	10.0%	321,901,673	-0.1%	4,289,482,219	5.8%	136,910,988	12.3%	1,614,270,775	16.2%	(38,359,437)	-8.6%	(1,359,754,587)	3.5%
FY 2019	Jul-18	396,059,814	7.8%	396,059,814	7.8%	388,592,967	7.8%	388,592,967	7.8%	26,981,619	20.5%	26,981,619	20.5%	(19,514,772)	25.9%	(19,514,772)	25.9%
	Aug	366,290,813	9.4%	762,350,627	8.6%	358,560,458	8.6%	747,153,426	8.2%	24,480,021	15.6%	51,461,639	18.1%	(16,749,666)	0.0%	(36,264,438)	12.5%
	Sep	478,168,599	11.7%	1,240,519,226	9.7%	345,394,066	10.3%	1,092,547,491	8.8%	151,832,056	14.3%	203,293,696	15.3%	(19,057,523)	8.0%	(55,321,961)	10.9%
	Oct	383,971,237	4.4%	1,624,490,463	8.4%	385,257,672	3.4%	1,477,805,163	7.4%	92,048,841	21.0%	295,342,537	17.0%	(93,335,276)	15.3%	(148,657,237)	13.6%
	Nov	334,411,214	6.0%	1,958,901,677	8.0%	343,815,944	3.8%	1,821,621,107	6.7%	22,097,652	8.1%	317,440,189	16.3%	(31,502,382)	-12.4%	(180,159,619)	8.0%
	Dec	441,919,417	-23.0%	2,400,821,095	0.6%	401,803,216	11.7%	2,223,424,323	7.6%	50,914,905	-76.6%	368,355,095	-24.9%	(10,798,704)	237.5%	(190,958,323)	12.3%
	Jan-19	581,716,207	-8.0%	2,982,537,301	-1.2%	427,230,591	0.1%	2,650,654,914	6.3%	162,226,235	-24.9%	530,581,330	-24.9%	(7,740,619)	-26.4%	(198,698,942)	10.1%
	Feb	48,732,731	1.5%	3,031,270,032	-1.2%	359,299,689	1.7%	3,009,954,603	5.7%	37,039,460	47.9%	567,620,789	-22.4%	(347,606,418)	5.2%	(546,305,360)	7.0%
	Mar	170,920,532	38.9%	3,202,190,564	0.4%	405,858,513	4.5%	3,415,813,116	5.6%	82,740,855	7.3%	650,361,644	-19.6%	(317,678,836)	-7.2%	(863,984,196)	1.3%
	Apr	658,217,806	12.9%	3,860,408,370	2.3%	424,054,003	9.7%	3,839,867,119	6.0%	603,007,793	3.3%	1,253,369,437	-10.0%	(368,843,990)	-4.8%	(1,232,828,186)	-0.6%
	May	684,007,277	95.8%	4,544,415,647	10.2%	369,595,968	7.0%	4,209,463,087	6.1%	386,614,492	355.2%	1,639,983,929	11.0%	(72,203,183)	-10.8%	(1,305,031,369)	-1.2%
	Jun	464,605,987	10.5%	5,009,021,634	10.2%	347,559,585	8.0%	4,557,022,672	6.2%	153,939,074	12.4%	1,793,923,003	11.1%	(36,892,672)	-3.8%	(1,341,924,041)	-1.3%
FY 2020	Jul-19	446,177,592	12.7%	446,177,592	12.7%	430,918,613	10.9%	430,918,613	10.9%	34,741,911	28.8%	34,741,911	28.8%	(19,482,932)	-0.2%	(19,482,932)	-0.2%
	Aug	388,988,906	6.2%	835,166,498	9.6%	373,461,889	4.2%	804,380,502	7.7%	32,807,792	34.0%	67,549,702	31.3%	(17,280,775)	3.2%	(36,763,707)	1.4%
	Sep	525,626,609	9.9%	1,360,793,107	9.7%	365,578,566	5.8%	1,169,959,069	7.1%	179,468,334	18.2%	247,018,036	21.5%	(19,420,291)	1.9%	(56,183,998)	1.6%
	Oct	442,761,464	15.3%	1,803,554,570	11.0%	423,030,231	9.8%	1,592,989,299	7.8%	114,011,838	23.9%	361,029,874	22.2%	(94,280,605)	1.0%	(150,464,603)	1.2%
	Nov	380,667,306	13.8%	2,184,221,877	11.5%	379,267,511	10.3%	1,972,256,810	8.3%	31,148,534	41.0%	392,178,408	23.5%	(29,748,738)	-5.6%	(1,303,816,341)	0.0%
	Dec	465,944,068	5.4%	2,650,165,944	10.4%	427,207,203	6.3%	2,399,464,012	7.9%	52,205,465	2.5%	444,383,873	20.6%	(13,468,600)	24.7%	(193,681,941)	1.4%
	Jan-20	651,356,601	12.0%	3,301,522,545	10.7%	480,456,016	12.5%	2,879,920,028	8.6%	175,969,105	8.5%	620,352,977	16.9%	(5,068,519)	-34.5%	(198,750,460)	0.0%
	Feb	(16,502,123)	N/A	3,285,020,422	8.4%	388,030,922	8.0%	3,267,950,950	8.6%	29,471,121	-20.4%	649,824,098	14.5%	(434,004,166)	24.9%	(632,754,626)	15.8%
	Mar	106,576,741	-37.6%	3,391,597,163	5.9%	448,341,903	10.5%	3,716,292,853	8.8%	71,345,057	-13.8%	721,169,155	10.9%	(413,110,219)	30.0%	(1,045,864,845)	21.1%
	Apr	333,923,441	-49.3%	3,725,520,605	-3.5%	411,042,743	-3.1%	4,127,335,596	7.5%	180,832,397	-70.0%	902,001,553	-28.0%	(257,951,699)	-30.1%	(1,303,816,544)	5.8%
	May	312,455,235	-54.3%	4,037,975,840	-11.1%	356,648,940	-3.5%	4,483,984,536	6.5%	52,177,864	-86.5%	954,179,417	-41.8%	(96,371,569)	33.5%	(1,400,188,113)	7.3%
	Jun	492,434,368	6.0%	4,530,410,208	-9.6%	400,025,682	15.1%	4,884,010,218	7.2%	163,301,165	6.1%	1,117,480,582	-37.7%	(70,892,479)	92.2%	(1,471,080,592)	9.6%
FY 2021	Jul-20	1,006,099,122	125.5%	1,006,099,122	125.5%	437,561,106	1.5%	437,561,106	1.5%	729,202,947	1998.9%	729,202,947	1998.9%	(160,664,931)	724.6%	(160,664,931)	724.6%
	Aug	393,647,609	1.2%	1,399,746,731	67.6%	388,221,708	4.0%	825,782,815	2.7%	42,993,691	31.0%	772,196,638	1043.2%	(37,567,790)	117.4%	(198,232,721)	439.2%
	Sep	526,805,326	0.2%	1,926,552,057	41.6%	373,511,493	2.2%	1,199,294,307	2.5%	173,028,298	-3.6%	945,224,936	282.7%	(19,734,465)	1.6%	(217,967,187)	288.0%
	Oct	436,598,293	-1.4%	2,363,150,350	31.0%	402,587,396	-4.8%	1,601,881,704	0.6%	119,988,347	5.2%	1,065,213,283	195.0%	(85,977,450)	-8.8%	(303,944,636)	102.0%
	Nov	467,871,483	22.9%	2,831,021,833	29.6%	456,569,075	20.4%	2,058,450,778	4.4%	34,813,471	11.8%	1,100,026,754	180.5%	(23,511,062)	-21.0%	(327,455,699)	81.7%
	Dec	527,323,634	13.2%	3,358,345,468	26.7%	475,274,347	11.3%	2,533,725,125	5.6%	59,844,230	14.6%	1,159,870,983	161.0%	(7,794,942)	-42.1%	(335,250,641)	73.1%
	Jan-21	680,994,298	4.6%	4,039,339,766	22.3%	442,013,801	-8.0%	2,975,738,926	3.3%	240,523,484	36.7%	1,400,394,468	125.7%	(1,542,987)	-69.6%	(336,793,628)	69.5%
	Feb	361,961,015	N/A	4,401,300,781	34.0%	456,060,535	17.5%	3,431,799,461	5.0%	46,639,376	58.3%	1,447,033,844	122.7%	(140,738,896)	-67.6%	(477,532,524)	-24.5%
	Mar	23,920,430	-77.6%	4,425,221,211	30.5%	517,507,305	15.4%	3,949,306,766	6.3%	76,719,239	7.5%	1,523,753,083	111.3%	(570,306,114)	38.1%	(1,047,838,638)	0.2%
	Apr	545,265,305	63.3%	4,970,486,516	33.4%	472,467,178	14.9%	4,421,773,944	7.1%	385,639,582	113.3%	1,909,392,665	111.7%	(312,841,455)	21.3%	(1,360,680,093)	4.4%
	May	812,692,108	160.1%	5,783,178,624	43.2%	393,000,021	10.2%	4,814,773,965	7.4%	719,317,439	1278.6%	2,628,710,104	175.5%	(299,625,352)	210.9%	(1,660,305,445)	18.6%
	Jun	749,574,607	52.2%	6,532,753,230	44.2%	460,711,394	15.2%	5,275,485,359	8.0%	361,236,695	121.2%	2,989,946,798	167.6%	(72,373,482)	2.1%	(1,732,678,927)	17.8%

Arizona Individual Income Tax - Estimated and Final Payments

		Year-to-Date Total				Year-to-Date				Year-to-Date			
		Total Payments	Y/Y Chg.	Payments	YTD Chg.	Estimated	Y/Y Chg.	Estimated	YTD Chg.	Final	Y/Y Chg.	Final	YTD Chg.
FY 2018	Jul-17	22,390,542	8.1%	22,390,542	8.1%	7,098,992	12.4%	7,098,992	12.4%	15,291,550	6.2%	15,291,550	6.2%
	Aug	21,181,908	-8.5%	43,572,450	-0.6%	8,068,854	0.3%	15,167,846	5.6%	13,113,055	-13.1%	28,404,605	-3.7%
	Sep	132,809,433	6.2%	176,381,883	4.4%	117,062,473	4.8%	132,230,319	4.9%	15,746,960	17.6%	44,151,564	3.0%
	Oct	76,057,356	28.1%	252,439,239	10.6%	10,816,836	23.9%	143,047,155	6.1%	65,240,519	28.8%	109,392,084	17.0%
	Nov	20,437,018	-49.4%	272,876,257	1.6%	6,061,645	-31.1%	149,108,800	3.9%	14,375,373	-54.5%	123,767,457	-1.1%
	Dec	217,652,109	116.5%	490,528,366	32.8%	208,538,039	131.4%	357,646,839	53.0%	9,114,070	-12.5%	132,881,527	-2.0%
	Jan-18	215,884,116	22.5%	706,412,482	29.5%	205,661,662	24.9%	563,308,501	41.4%	10,222,454	-11.8%	143,103,981	-2.7%
	Feb	25,047,178	18.1%	731,459,659	29.1%	4,038,758	16.7%	567,347,259	41.2%	21,008,420	18.3%	164,112,401	-0.5%
	Mar	77,088,493	11.8%	808,548,153	27.2%	8,053,151	42.0%	575,400,410	41.2%	69,035,342	9.1%	233,147,743	2.2%
	Apr	583,884,240	-1.6%	1,392,432,393	13.3%	78,243,878	8.4%	653,644,288	36.3%	505,640,363	-3.0%	738,788,106	-1.4%
	May	84,927,394	120.0%	1,477,359,787	16.5%	10,967,702	64.1%	664,611,989	36.7%	73,959,692	131.6%	812,747,798	4.0%
	Jun	136,091,641	11.6%	1,613,451,428	16.1%	116,101,968	11.9%	780,713,958	32.3%	19,989,673	10.0%	832,737,471	4.1%
FY 2019	Jul-18	26,981,619	20.5%	26,981,619	20.5%	8,070,766	13.7%	8,070,766	13.7%	18,910,852	23.7%	18,910,852	23.7%
	Aug	24,480,021	15.6%	51,461,639	18.1%	10,939,626	35.6%	19,010,393	25.3%	13,540,395	3.3%	32,451,247	14.2%
	Sep	151,832,056	14.3%	203,293,696	15.3%	134,536,304	14.9%	153,546,696	16.1%	17,295,753	9.8%	49,747,000	12.7%
	Oct	92,048,841	21.0%	295,342,537	17.0%	12,838,925	18.7%	166,385,621	16.3%	79,209,916	21.4%	128,956,916	17.9%
	Nov	22,097,652	8.1%	317,440,189	16.3%	6,281,356	3.6%	172,666,977	15.8%	15,816,296	10.0%	144,773,212	17.0%
	Dec	50,914,905	-76.6%	368,355,095	-24.9%	32,493,528	-84.4%	205,160,505	-42.6%	18,421,377	102.1%	163,194,590	22.8%
	Jan-19	162,226,235	-24.9%	530,581,330	-24.9%	140,278,776	-31.8%	345,439,281	-38.7%	21,947,459	114.7%	185,142,049	29.4%
	Feb	37,039,460	47.9%	567,620,789	-22.4%	5,424,368	34.3%	350,863,649	-38.2%	31,615,092	50.5%	216,757,141	32.1%
	Mar	82,740,855	7.3%	650,361,644	-19.6%	7,488,543	-7.0%	358,352,192	-37.7%	75,252,312	9.0%	292,009,453	25.2%
	Apr	603,007,793	3.3%	1,253,369,437	-10.0%	58,562,550	-25.2%	416,914,742	-36.2%	544,445,243	7.7%	836,454,695	13.2%
	May	386,614,492	355.2%	1,639,983,929	11.0%	36,498,359	232.8%	453,413,101	-31.8%	350,116,132	373.4%	1,186,570,828	46.0%
	Jun	153,939,074	13.1%	1,793,923,003	11.2%	131,576,538	13.3%	584,989,639	-25.1%	22,362,536	11.9%	1,208,933,363	45.2%
FY 2020	Jul-19	34,741,911	28.8%	34,741,911	28.8%	10,388,748	28.7%	10,388,748	28.7%	24,353,162	28.8%	24,353,162	28.8%
	Aug	32,807,792	34.0%	67,549,702	31.3%	11,816,737	8.0%	22,205,485	16.8%	20,991,055	55.0%	45,344,217	39.7%
	Sep	179,468,334	18.2%	247,018,036	21.5%	152,388,114	13.3%	174,593,599	13.7%	27,080,220	56.6%	72,424,437	45.6%
	Oct	114,011,838	23.9%	361,029,874	22.2%	16,986,917	32.3%	191,580,516	15.1%	97,024,921	22.5%	169,449,358	31.4%
	Nov	31,148,534	41.0%	392,178,408	23.5%	9,577,941	52.5%	201,158,456	16.5%	21,570,593	36.4%	191,019,951	31.9%
	Dec	52,205,465	2.5%	444,383,873	20.6%	35,091,541	8.0%	236,249,997	15.2%	17,113,924	-7.1%	208,133,875	27.5%
	Jan-20	175,969,105	8.5%	620,352,977	16.9%	163,782,549	16.8%	400,032,546	15.8%	12,186,556	-44.5%	220,320,431	19.0%
	Feb	29,471,121	-20.4%	649,824,098	14.5%	5,613,870	3.5%	405,646,416	15.6%	23,857,251	-24.5%	244,177,682	12.7%
	Mar	71,345,057	-13.8%	721,169,155	10.9%	8,224,242	9.8%	413,870,658	15.5%	63,120,815	-16.1%	307,298,497	5.2%
	Apr	180,832,397	-70.0%	902,001,553	-28.0%	68,165,869	16.4%	482,036,527	15.6%	112,666,529	-79.3%	419,965,026	-49.8%
	May	52,177,864	-86.5%	954,179,417	-41.8%	12,150,302	-66.7%	494,186,829	9.0%	40,027,563	-88.6%	459,992,589	-61.2%
	Jun	163,301,165	6.1%	1,117,480,582	-37.7%	91,413,281	-30.5%	585,600,109	0.1%	71,887,884	221.5%	531,880,473	-56.0%
FY 2021	Jul-20	729,202,947	1998.9%	729,202,947	1998.9%	72,570,967	598.6%	72,570,967	598.6%	656,631,980	2596.3%	656,631,980	2596.3%
	Aug	42,993,691	31.0%	772,196,638	1043.2%	15,384,654	30.2%	87,955,621	296.1%	27,609,037	31.5%	684,241,017	1409.0%
	Sep	173,028,298	-3.6%	945,224,936	282.7%	152,899,093	0.3%	240,854,714	38.0%	20,129,205	-25.7%	704,370,222	872.6%
	Oct	119,988,347	5.2%	1,065,213,283	195.0%	17,727,245	4.4%	258,581,959	35.0%	102,261,102	5.4%	806,631,324	376.0%
	Nov	34,813,471	11.8%	1,100,026,754	180.5%	11,086,743	15.8%	269,668,702	34.1%	23,726,727	10.0%	830,358,051	334.7%
	Dec	59,844,230	14.6%	1,159,870,983	161.0%	40,131,622	14.4%	309,800,324	31.1%	19,712,608	15.2%	850,070,659	308.4%
	Jan-21	240,523,484	36.7%	1,400,394,468	125.7%	224,767,132	37.2%	534,567,456	33.6%	15,756,352	29.3%	865,827,012	293.0%
	Feb	46,639,376	58.3%	1,447,033,844	122.7%	16,402,252	192.2%	550,969,708	35.8%	30,237,125	26.7%	896,064,136	267.0%
	Mar	76,719,239	7.5%	1,523,753,083	111.3%	10,984,896	33.6%	561,954,604	35.8%	65,734,343	4.1%	961,798,479	213.0%
	Apr	385,639,582	113.3%	1,909,392,665	111.7%	115,244,344	69.1%	677,198,948	40.5%	270,395,238	140.0%	1,232,193,717	193.4%
	May	719,317,439	1278.6%	2,628,710,104	175.5%	56,466,308	364.7%	733,665,256	48.5%	662,851,130	1556.0%	1,895,044,847	312.0%
	Jun	361,236,695	121.2%	2,989,946,798	167.6%	132,839,227	45.3%	866,504,484	48.0%	228,397,467	217.7%	2,123,442,315	299.2%
FY 2022	Jul-21	119,543,821	-83.6%	119,543,821	-83.6%	70,163,547	-3.3%	70,163,547	-3.3%	49,380,274	-92.5%	49,380,274	-92.5%
	Aug	34,454,272	-19.9%	153,998,093	-80.1%	16,700,964	8.6%	86,864,511	-1.2%	17,753,308	-35.7%	67,133,583	-90.2%
	Sep	223,100,534	28.9%	377,098,627	-60.1%	186,462,673	22.0%	273,327,183	13.5%	36,637,861	82.0%	103,771,444	-85.3%
	Oct	169,068,037	40.9%	546,166,664	-48.7%	49,422,026	178.8%	322,749,209	24.8%	119,646,011	17.0%	223,417,455	-72.3%
	Nov	47,922,881	37.7%	594,089,545	-46.0%	15,634,106	41.0%	338,383,315	25.5%	32,288,774	36.1%	255,706,229	-69.2%
	Dec	64,427,982	7.7%	658,517,527	-43.2%	44,269,908	10.3%	382,653,224	23.5%	20,158,074	2.3%	275,864,303	-67.5%
	Jan-22	278,902,183	16.0%	937,419,710	-33.1%	260,836,920	16.0%	643,490,144	20.4%	18,065,262	14.7%	293,929,565	-66.1%
	Feb	74,417,087	59.6%	1,011,836,797	-30.1%	38,318,338	133.6%	681,808,482	23.7%	36,098,749	19.4%	330,028,315	-63.2%
	Mar	130,085,664	69.6%	1,141,922,461	-25.1%	14,740,104	34.2%	696,548,586	24.0%	115,345,560	75.5%	445,373,875	-53.7%
	Apr	1,066,390,604	176.5%	2,208,313,065	15.7%	77,445,300	-32.8%	773,993,886	14.3%	988,945,303	265.7%	1,434,319,178	16.4%
	May	737,748,839	2.6%	2,946,061,903	12.1%	49,542,285	-12.3%	823,536,172	12.2%	688,206,553	3.8%	2,122,525,731	12.0%
	Jun	345,973,358	-4.2%	3,292,035,261	10.1%	162,326,142	22.2%	985,862,313	13.8%	183,647,216	-19.6%	2,306,172,948	8.6%
FY 2023	Jul-22	104,977,749	-12.2%	104,977,749	-12.2%	61,876,410	-11.8%	61,876,410	-11.8%	43,101,339	-12.7%	43,101,339	-12.7%
	Aug	62,005,474	80.0%	166,983,224	8.4%	19,751,607	18.3%	81,628,017	-6.0%	42,253,867	138.0%	85,355,207	27.1%
	Sep	229,062,677	2.7%	396,045,900	5.0%	175,724,825	-5.8%	257,352,842	-5.8%	53,337,851	45.6%	138,693,058	33.7%
	Oct	228,800,953	35.3%	624,846,853	14.4%	35,584,971	-28.0%	292,937,814	-9.2%	193,215,981	61.5%	331,909,039	48.6%
	Nov	64,453,749	34.5%	689,300,602	16.0%	13,190,314	-15.6%	306,128,128	-9.5%	51,263,435	58.8%	383,172,474	49.8%
	Dec	61,812,137	-4.1%	751,112,739	14.1%	37,537,282	-15.2%	343,665,410	-10.2%	24,274,855	20.4%	407,447,328	47.7%
	Jan-23												
	Feb												
	Mar												
	Apr												
	May												
	Jun												

Corporate Income Tax

Arizona Corporate Income Tax General Fund Collections

		Year-to-Date Gross				Year-to-Date				Year-to-Date Net			
		Gross Revenue	Y/Y Chg.	Revenue	YTD Chg.	Refunds	Y/Y Chg.	Refunds	YTD Chg.	Net Revenue	Y/Y Chg.	Revenue	YTD Chg.
FY 2018	July 2017	26,266,058	19.3%	26,266,058	19.3%	(2,427,219)	-87.7%	(2,427,219)	-87.7%	23,838,839	941.5%	23,838,839	941.5%
	Aug 2017	10,906,029	-29.8%	37,172,087	-1.1%	(18,031,119)	67.8%	(20,458,338)	-32.9%	(7,125,090)	N/A	16,713,749	135.8%
	Sep 2017	79,619,983	-10.9%	116,792,070	-8.0%	(15,042,747)	39.4%	(35,501,085)	-14.0%	64,577,236	-17.8%	81,290,985	-5.1%
	Oct 2017	20,755,460	-32.7%	137,547,530	-12.8%	(4,323,369)	2772.7%	(39,824,454)	-3.9%	16,432,091	-46.4%	97,723,076	-16.0%
	Nov 2017	13,403,599	-25.9%	150,951,129	-14.2%	(1,759,367)	-53.3%	(41,583,821)	-8.0%	11,644,232	-18.7%	109,367,308	-16.3%
	Dec 2017	67,957,843	-22.9%	218,908,972	-17.1%	(30,913,538)	31.3%	(72,497,359)	5.5%	37,044,305	-42.6%	146,411,613	-25.0%
	Jan 2018	28,967,432	8.9%	247,876,404	-14.7%	(20,832,624)	-54.0%	(93,329,983)	-18.2%	8,134,808	N/A	154,546,421	-12.4%
	Feb 2018	20,754,947	94.2%	268,631,351	-10.8%	(14,472,357)	11.0%	(107,802,340)	-15.2%	6,282,590	N/A	160,829,011	-7.7%
	Mar 2018	23,322,836	-34.4%	291,954,187	-13.3%	(1,301,978)	-91.8%	(109,104,318)	-23.7%	22,020,858	11.6%	182,849,869	-5.7%
	Apr 2018	79,202,648	-4.4%	371,156,835	-11.6%	(2,369,601)	-70.8%	(111,473,919)	-26.2%	76,833,047	2.8%	259,682,916	-3.3%
FY 2019	May 2018	32,033,888	1.0%	403,190,723	-10.7%	(2,176,517)	-41.8%	(113,650,436)	-26.6%	29,857,371	6.7%	289,540,287	-2.4%
	June 2018	89,768,840	22.1%	492,959,563	-6.1%	(6,237,021)	205.4%	(119,887,457)	-23.5%	83,531,819	16.8%	373,072,106	1.3%
	July 2018	34,230,356	30.3%	34,230,356	30.3%	(5,488,876)	126.1%	(5,488,876)	126.1%	28,741,480	20.6%	28,741,480	20.6%
	Aug 2018	20,224,018	85.4%	54,454,375	46.5%	(6,088,433)	-66.2%	(11,577,310)	-43.4%	14,135,585	N/A	42,877,065	156.5%
	Sep 2018	112,656,032	41.5%	167,110,407	43.1%	(7,885,794)	-47.6%	(19,463,104)	-45.2%	104,770,238	62.2%	147,647,303	81.6%
	Oct 2018	34,384,339	65.7%	201,494,745	46.5%	(6,038,347)	39.7%	(25,501,450)	-36.0%	28,345,992	72.5%	175,993,295	80.1%
	Nov 2018	16,689,469	24.5%	218,184,214	44.5%	(11,051,634)	528.2%	(36,553,084)	-12.1%	5,637,834	-51.6%	181,631,129	66.1%
	Dec 2018	95,961,365	41.2%	314,145,579	43.5%	(5,737,744)	-81.4%	(42,290,828)	-41.7%	90,223,622	143.6%	271,854,751	85.7%
	Jan 2019	34,831,424	20.2%	348,977,003	40.8%	(56,601,100)	171.7%	(98,891,928)	6.0%	(21,769,676)	N/A	250,085,075	61.8%
	Feb 2019	11,876,507	-42.8%	360,853,510	34.3%	(18,575,077)	28.3%	(117,467,005)	9.0%	(6,698,570)	N/A	243,386,505	51.3%
FY 2020	Mar 2019	37,278,994	59.8%	398,132,504	36.4%	(9,031,966)	593.7%	(126,498,971)	15.9%	28,247,028	28.3%	271,633,533	48.6%
	Apr 2019	101,927,588	28.7%	500,060,092	34.7%	(4,058,919)	71.3%	(130,557,890)	17.1%	97,868,668	27.4%	369,502,201	42.3%
	May 2019	45,394,845	41.7%	545,454,936	35.3%	(3,634,231)	67.0%	(134,192,121)	18.1%	41,760,614	39.9%	411,262,815	42.0%
	June 2019	104,392,743	16.3%	649,847,679	31.8%	(1,391,469)	-77.7%	(135,583,590)	13.1%	103,001,274	23.3%	514,264,089	37.8%
	July 2019	44,321,954	29.5%	44,321,954	29.5%	(9,031,871)	64.5%	(9,031,871)	64.5%	35,290,082	22.8%	35,290,082	22.8%
	Aug 2019	15,239,150	-24.6%	59,561,104	9.4%	(10,191,927)	67.4%	(19,223,798)	66.0%	5,047,223	-64.3%	40,337,305	-5.9%
	Sep 2019	124,589,643	10.6%	184,150,747	10.2%	(3,228,845)	-59.1%	(22,452,644)	15.4%	121,360,798	15.8%	161,698,104	9.5%
	Oct 2019	61,227,032	78.1%	245,377,779	21.8%	(1,140,517)	-81.1%	(23,593,160)	-7.5%	60,086,515	112.0%	221,784,619	26.0%
	Nov 2019	6,416,697	-61.6%	251,794,476	15.4%	(12,416,816)	12.4%	(36,009,976)	-1.5%	(6,000,118)	N/A	215,784,500	18.8%
	Dec 2019	131,259,034	36.8%	383,053,510	21.9%	(14,281,489)	148.9%	(50,291,465)	18.9%	116,977,545	29.7%	332,762,045	22.4%
FY 2021	Jan 2020	35,190,552	1.0%	418,244,062	19.8%	(17,414,883)	-69.2%	(67,706,348)	-31.5%	17,775,669	N/A	350,537,714	40.2%
	Feb 2020	12,768,293	7.5%	431,012,355	19.4%	(4,706,698)	-74.7%	(72,413,046)	-38.4%	8,061,595	N/A	358,599,309	47.3%
	Mar 2020	42,700,126	14.5%	473,712,481	19.0%	(15,636,027)	73.1%	(88,049,073)	-30.4%	27,064,099	-4.2%	385,663,408	42.0%
	Apr 2020	53,375,165	-47.6%	527,087,646	5.4%	(2,934,394)	-27.7%	(90,983,467)	-30.3%	50,440,771	-48.5%	436,104,179	18.0%
	May 2020	19,026,724	-58.1%	546,114,370	0.1%	(2,478,686)	-31.8%	(93,462,153)	-30.4%	16,548,038	-60.4%	452,652,216	10.1%
	June 2020	64,996,642	-37.7%	611,110,993	-6.0%	(5,766,989)	314.5%	(99,229,142)	-26.8%	59,229,635	-42.5%	511,881,851	-0.5%
	July 2020	86,598,947	95.4%	86,598,947	95.4%	(5,978,250)	-33.8%	(5,978,250)	-33.8%	80,620,697	128.5%	80,620,697	128.5%
	Aug 2020	25,417,321	66.8%	112,016,268	88.1%	(2,526,272)	-75.2%	(8,504,522)	-55.8%	22,891,049	353.5%	103,511,746	156.6%
	Sep 2020	114,587,651	-8.0%	226,603,921	23.1%	(8,330,173)	158.0%	(16,834,696)	-25.0%	106,257,480	-12.4%	209,769,225	29.7%
	Oct 2020	45,303,629	-26.0%	271,907,550	10.8%	(11,515,597)	909.7%	(28,350,292)	20.2%	33,788,032	-43.8%	243,557,257	9.8%
FY 2022	Nov 2020	23,750,826	270.1%	295,658,376	17.4%	(16,693,676)	34.4%	(45,043,968)	25.1%	7,057,150	N/A	250,614,408	16.1%
	Dec 2020	132,017,702	0.6%	427,676,078	11.6%	(30,722,519)	115.1%	(75,766,487)	50.7%	101,295,183	-13.4%	351,909,591	5.8%
	Jan 2021	44,790,938	27.3%	472,467,016	13.0%	(772,813)	-95.6%	(76,539,300)	13.0%	44,018,126	147.6%	395,927,716	12.9%
	Feb 2021	18,803,417	47.3%	491,270,433	14.0%	(1,491,030)	-68.3%	(78,030,330)	7.8%	17,312,387	114.8%	413,240,104	15.2%
	Mar 2021	48,743,590	14.2%	540,014,023	14.0%	(5,486,977)	-64.9%	(83,517,306)	-5.1%	43,256,613	59.8%	456,496,717	18.4%
	Apr 2021	187,350,805	251.0%	727,364,828	38.0%	(8,245,481)	181.0%	(91,762,787)	0.9%	179,105,324	255.1%	635,602,041	45.7%
	May 2021	59,010,101	210.1%	786,374,929	44.0%	(3,464,767)	39.8%	(95,227,554)	1.9%	55,545,334	235.7%	691,147,375	52.7%
	June 2021	158,051,228	143.2%	944,426,157	54.5%	(2,177,807)	-62.2%	(97,405,361)	-1.8%	155,873,421	163.2%	847,020,795	65.5%
	July 2021	60,468,954	-30.2%	60,468,954	-30.2%	(2,976,917)	-50.2%	(2,976,917)	-50.2%	57,492,037	-28.7%	57,492,037	-28.7%
	Aug 2021	24,050,544	-5.4%	84,519,498	-24.5%	(6,107,792)	141.8%	(9,084,709)	6.8%	17,942,752	-21.6%	75,434,789	-27.1%
FY 2023	Sep 2021	202,184,906	76.4%	286,704,404	26.5%	(18,526,269)	122.4%	(27,610,978)	64.0%	183,658,637	72.8%	259,093,426	23.5%
	Oct 2021	71,806,568	58.5%	358,510,971	31.9%	(2,772,892)	-75.9%	(30,383,870)	7.2%	69,033,676	104.3%	328,127,102	34.7%
	Nov 2021	26,268,880	10.6%	384,779,852	30.1%	(7,085,484)	-57.6%	(37,469,353)	-16.8%	19,183,396	171.8%	347,310,498	38.6%
	Dec 2021	214,967,398	62.8%	599,747,249	40.2%	(1,119,073)	-96.4%	(38,588,426)	-49.1%	213,848,325	111.1%	561,158,823	59.5%
	Jan 2022	51,749,856	15.5%	651,497,106	37.9%	(8,683,766)	1023.7%	(47,272,191)	-38.2%	43,066,091	-2.2%	604,224,914	52.6%
	Feb 2022	39,972,261	112.6%	691,469,367	40.8%	(15,013,839)	906.9%	(62,286,030)	-20.2%	24,958,422	44.2%	629,183,337	52.3%
	Mar 2022	77,817,042	59.6%	769,286,408	42.5%	(6,139,100)	11.9%	(68,425,130)	-18.1%	71,677,942	65.7%	700,861,279	53.5%
	Apr 2022	247,718,592	32.2%	1,017,005,000	39.8%	(20,895,829)	153.4%	(89,320,958)	-2.7%	226,822,763	26.6%	927,684,042	46.0%
	May 2022	56,573,742	-4.1%	1,073,578,742	36.5%	(16,921,489)	388.4%	(106,242,447)	11.6%	39,652,253	-28.6%	967,336,295	40.0%
	June 2022	212,530,964	34.5%	1,286,109,706	36.2%	(16,398,386)	653.0%	(122,640,833)	25.9%	196,132,578	25.8%	1,163,468,873	37.4%
FY 2023	July 2022	63,026,210	4.2%	63,026,210	4.2%	(6,637,546)	123.0%	(6,637,546)	123.0%	56,388,664	-1.9%	56,388,664	-1.9%
	Aug 2022	45,974,170	91.2%	109,000,380	29.0%	(6,728,540)	10.2%	(13,366,086)	47.1%	39,245,630	118.7%	95,634,293	26.8%
	Sep 2022	299,466,713	48.1%	408,467,093	42.5%	(7,365,710)	-60.2%	(20,731,796)	-24.9%	292,101,004	59.0%	387,735,297	49.7%
	Oct 2022	66,601,561	-7.2%	475,068,654	32.5%	(30,483,173)	999.3%	(51,214,969)	68.6%	36,118,388	-47.7%	423,853,685	29.2%
	Nov 2022	29,057,941	10.6%	504,126,595	31.0%	(7,923,859)	11.8%	(59,138,828)	57.8%	21,134,082	10.2%	444,987,768	28.1%
	Dec 2022	439,564,799	104.5%	943,691,395	57.3%	(9,126,985)	715.6%	(68,265,813)	76.9%	430,437,814	101.3%	875,425,582	56.0%
	Jan 2023												
	Feb 2023												
	Mar 2023												
	Apr 2023												
	May 2023												
	June 2023												

Insurance Premium Tax

INSURANCE PREMIUM TAX

WHO PAYS

All authorized insurers are subject to the insurance premium tax. Additionally, the tax applies to health care service organizations, prepaid dental plan organizations, and prepaid legal insurance corporations. [A.R.S. § 20-206, A.R.S. § 20-224, A.R.S. § 20-401.05, A.R.S. § 20-416, A.R.S. § 20-837, A.R.S. § 20-1010, A.R.S. § 20-1060, A.R.S. § 20-1097.07].

DISTRIBUTION

Except for a portion of the tax on fire insurance premiums and an additional tax paid on vehicle insurance premiums, these tax revenues are deposited in the state's General Fund [A.R.S. § 20-227].

Eighty-five percent of the fire insurance premium tax is transferred to cities and towns and legally organized fire districts which procure the services of private fire companies and to cities and towns which have their own fire department or legally organized fire district. The proceeds are to be used to assist in funding pension plans for fire-fighting personnel. The other 15% is deposited into the state's General Fund [A.R.S. § 20-224, A.R.S. § 9-951, and A.R.S. § 9-952].

An additional tax of 0.4312% paid on insurance carried on vehicles is separately accounted for and transferred to the Public Safety Personnel Retirement System for deposit in the Highway Patrol Account to assist in funding the pension plan for highway patrol personnel [A.R.S. § 20-224.01].

REVENUE BASE

The tax applies to premiums paid for insurance covering liabilities that exist within the state. The tax is levied on the net premium income, which is defined as the total amount received from premiums after deducting cancellations, returned premiums, policy dividends, and refund reductions. The specific types of insurance that are taxed are described in the *Taxable Lines of Insurance* section.

TAX RATE

Pursuant to Laws 2016, Chapter 358, the insurance premium tax rate on life, vehicle, and other property and casualty lines of insurance was gradually reduced from 2.0% in calendar year (CY) 2015 to 1.7% in CY 2021. Under Chapter 358, the rate is 1.80% in CY 2019, 1.75% in CY 2020, and 1.70% in CY 2021 and each sequent year. Except for fire insurance and surplus line insurance, the tax rate for most other types of insurance is 2.0% of net premium income [A.R.S. § 20-224].

The tax rate for fire insurance is 0.66% for insurance on properties located in an incorporated city or town which procures the services of a private fire company. The rate on all other fire insurance is 2.2% [A.R.S. § 20-224].

The tax rate on premiums paid to brokers selling surplus line insurance and industrial insurance contracts procured from unauthorized insurers is 3% of the net premium income [A.R.S. § 20-401.07 and A.R.S. § 20-416].

PAYMENT SCHEDULE

Payment of the preceding calendar year's insurance premium tax liability is due on or before March 1 of each year. [A.R.S. § 20-224].

Any insurer that paid or is required to pay a tax of \$50,000 or more for the preceding calendar year is required to make an "installment" payment of 15% of that amount on or before the 15th day of each month from March through August. Laws 2017, Chapter 153 increased the threshold of tax liability above which an insurer is required to make installment payments, from \$2,000 to \$50,000 in the preceding calendar year, beginning in calendar year 2018. Installment payments are credited against the insurance premium tax due on March 1 of the following year [A.R.S. § 20-224].

TAXABLE LINES OF INSURANCE

The table at the end of this section lists the Insurance Premium Tax revenue collections to the General Fund from FY 2016 to FY 2022, by line item. Each of the insurance lines in the table is described below.

AHCCCS Contractors: The Arizona Health Care Cost Containment System (AHCCCS) makes predetermined monthly capitation payments to managed care organizations that provide Medicaid health insurance to qualifying low-income individuals. The state and federal government share in the costs of the program. With some exceptions, the state's Medicaid program covers individuals with family incomes up to 133% of the federal poverty level.

Since FY 2004, capitation payments to AHCCCS contractors have been subject to Insurance Premium Tax. Both the state and federal portions of capitation payments are subject to the tax. Tax collections from this line were about 50% of Insurance Premium Tax General Fund revenues in FY 2022. The revenue growth of 23.7% in FY 2015 and 17.2% in FY 2016 in this line was largely driven by the expansion of eligible income levels for the program on January 1, 2014. Growth slowed in the period from FY 2017 through FY 2020 as Medicaid enrollment slowed. Revenue increased by 20.6% in FY 2022. This surge in collections was due to the large AHCCCS enrollment during calendar year 2021 and 2022.

Accident and Health: Includes insurance policies for medical risks and accidental injury or death. Much of this line consists of personal and employer-sponsored health insurance plans. Federal law, though, exempts employer self-insured plans from state insurance premium tax. Collections from the line made up about 18% of Insurance Premium Tax General Fund revenues in FY 2022. Revenue growth in this line was 3% in FY 2022.

Vehicle: This line consists of insurance against damage to vehicles and accidental injury or death or damage to non-vehicle property caused while using a vehicle. According to the Department of Insurance and Financial Institutions, private passenger automobile insurance accounts for 90% of this line's premiums while insurance for commercial risks account for the remaining 10% of premiums. Revenue from this line of insurance increased by 11% in FY 2022. Collections from this line made up 17% of Insurance Premium Tax General Fund revenues in FY 2022.

Other Property and Casualty: Consists of numerous types of property and casualty insurance that together were 11% of Insurance Premium Tax General Fund revenue in FY 2022. The largest sub-category of insurance in this line is homeowners' insurance, which makes up about one-third of the

line's taxable premiums. Some other major sub-categories of this line include property in transit, commercial multi-peril, and medical professional liability.

Life: Includes temporary or permanent policies that insure human life. Collections from this line made up about 7% of Insurance Premium Tax General Fund revenues in FY 2022.

Surplus Lines: Includes types of insurance that are not sufficiently offered by authorized insurers and therefore may be procured from an unauthorized out-of-state insurer. Collections from this line were 5% of Insurance Premium Tax General Fund revenues in FY 2022.

Fire: Includes insurance against damage or loss from fire, beyond the level of coverage from other forms of property insurance. Collections from this line were less than 1% of Insurance Premium Tax General Fund revenues in FY 2022.

Retaliatory Payments: Out-of-state insurers pay the greater of the Arizona insurance premium tax or the tax imposed by their home state on Arizona insurers. Retaliation applies to taxes, fees, assessments, or other charges levied in the insurance company's home state. Collections from this line were 2% of Insurance Premium Tax General Fund revenues in FY 2022.

Tax Credits: Tax revenues from the insurance lines above are reduced by Insurance Premium Tax credits. Growth of tax credit use in recent years has largely been driven by the 20% annual increases in the cap on Private School Tuition Organization - Low Income Students credits. Laws 2019, Chapter 281 limits the annual increase of the credit cap to 15% in FY 2021, 10% in FY 2022, and 5% in FY 2023. Beginning in FY 2024, the increase of the credit cap is limited to the greater of 2% or the annual change of the Metropolitan Phoenix consumer price index. Dollar impacts of the specific Insurance Premium Tax credits in FY 2022 are listed in the table below.

FY 2022 Insurance Premium Tax Credits (\$ in millions)	
<u>Credits:</u>	<u>Annual Cost</u>
Private School Tuition Organization - Low Income Students ^{1/}	\$45.2
New Employment	4.8
Health Insurance Premium ^{2/}	3.8
Private School Tuition Organization - Disabled/Displaced Students ^{3/}	5.6
Insurance Guaranty Fund Assessment	<u>7.6</u>
Total Value of Credits	\$67.0
<hr/>	
^{1/} Credit was capped at \$135.4 million in FY 2022 between corporate and insurance premium taxpayers.	
^{2/} Credit is capped at \$5.0 million annually.	
^{3/} Credit is capped at \$6.0 million annually between corporate income and insurance premium taxpayers.	

**Insurance Premium Tax Revenue by Insurance Line 1/
General Fund Collections**

(\$ in Millions)

	FY 2016		FY 2017		FY 2018		FY 2019		FY 2020		FY 2021		FY 2022	
<u>Insurance Line</u>	<u>Revenue</u>	<u>Y/Y Chg.</u>	<u>Revenue</u>	<u>Y/Y Chg.</u>	<u>Revenue</u>	<u>Y/Y Chg.</u>	<u>Revenue</u>	<u>Y/Y Chg.</u>	<u>Revenue</u>	<u>Y/Y Chg.</u>	<u>Revenue</u>	<u>Y/Y Chg.</u>	<u>Revenue</u>	<u>Y/Y Chg.</u>
AHCCCS Contractors	208.6	17.2%	211.1	1.2%	212.9	2.1%	225.5	5.9%	221.3	-1.9%	294.6	33.1%	355.3	20.6%
Accident and Health	103.7	18.4%	102.8	-0.9%	102.9	-0.8%	108.5	5.4%	110.7	2.0%	120.7	9.0%	124.6	3.2%
Vehicle <u>2/</u>	89.5	6.2%	95.0	6.1%	102.5	14.5%	109.5	6.8%	113.7	3.8%	110.3	-3.0%	122.4	11.0%
Other Property and Casualty	60.2	-0.9%	60.6	0.7%	61.7	2.5%	62.5	1.3%	62.1	-0.6%	66.5	7.1%	77.2	16.1%
Life	43.7	10.2%	42.9	-1.8%	43.2	-1.1%	43.6	0.9%	43.6	0.0%	45.2	3.7%	48.0	6.2%
Surplus	11.6	-5.3%	15.5	33.6%	16.3	40.5%	18.5	13.5%	20.0	8.1%	23.8	19.0%	33.6	41.2%
Fire <u>3/</u>	2.6	21.7%	1.3	-50.2%	0.9	-65.5%	0.7	-22.2%	0.8	14.3%	3.2	300.0%	0.9	-71.9%
Retaliatory Payments	6.9	-35.2%	9.2	33.3%	8.4	21.7%	10.3	22.6%	11.8	14.6%	12.3	4.2%	15.3	24.4%
Tax Credits	(33.5)	20.5%	(36.9)	10.1%	(42.1)	25.7%	(40.9)	-2.9%	(49.0)	19.8%	(69.2)	41.2%	(67.7)	-2.2%
Cash Flow Adjustments <u>4/</u>	0.8	--	4.5	--	2.6	--	11.4	--	0.1	--	12.3	--	(0.5)	--
Total Fiscal Year Revenues <u>5/</u>	\$ 494.1	9.6%	\$ 506.0	2.4%	\$ 509.3	0.7%	\$ 549.6	7.9%	\$ 535.1	-2.6%	\$ 619.7	15.8%	\$ 709.1	14.4%

Notes

1/ Revenue amounts reflect line item estimates by the Department of Insurance and Financial Institutions.

2/ Amounts exclude revenue from an additional 0.4312% tax on vehicle line premiums that is dedicated for funding the Public Safety Retirement System.

3/ Amounts exclude the 85% of fire line collections that are transferred to cities, towns and fire districts to assist in funding pension plans of fire fighting personnel.

4/ Amounts reflect differences between tax liability and tax payments within the year.

5/ JLBC reports General Fund revenues were \$490.6 M in FY 2016, \$504.3 M in FY 2017, \$509.3 M in FY 2018, \$549.8 M in FY 2019, \$535.2 M in FY 2020, \$616.3 M in FY 2021, and \$707.7 million in FY 2022.

Amounts in this table reflect estimates by the Department of Insurance and Financial Institutions.

Source: Department of Insurance and Financial Institutions

Arizona Insurance Premium Tax General Fund Collections

	Month	Insurance Premium Tax	Y/Y Chg.	Year-to-Date Total	YTD Chg.
FY 2018	July 2017	42,553,870	72.9%	42,553,870	72.9%
	Aug 2017	50,562,505	-31.6%	93,116,375	-5.5%
	Sep 2017	61,720,349	23.2%	154,836,724	4.2%
	Oct 2017	1,545,913	-62.1%	156,382,637	2.4%
	Nov 2017	67,537	-59.8%	156,450,174	2.4%
	Dec 2017	52,176,521	5.2%	208,626,695	3.1%
	Jan 2018	(596,330)	-109.4%	208,030,365	-0.3%
	Feb 2018	5,002,323	-49.8%	213,032,689	-2.6%
	Mar 2018	44,243,335	-62.7%	257,276,024	-23.7%
	Apr 2018	126,587,683	318.5%	383,863,707	4.4%
	May 2018	32,983,037	-20.4%	416,846,744	1.9%
	June 2018	92,429,259	-3.1%	509,276,003	1.0%
FY 2019	July 2018	41,973,653	-1.4%	41,973,653	-1.4%
	Aug 2018	44,496,524	-12.0%	86,470,176	-7.1%
	Sep 2018	61,455,389	-0.4%	147,925,565	-4.5%
	Oct 2018	4,592,134	197.0%	152,517,700	-2.5%
	Nov 2018	5,560,854	8133.8%	158,078,553	1.0%
	Dec 2018	56,036,734	7.4%	214,115,288	2.6%
	Jan 2019	(14,705)	-97.5%	214,100,583	2.9%
	Feb 2019	5,108,941	2.1%	219,209,524	2.9%
	Mar 2019	144,923,664	227.6%	364,133,188	41.5%
	Apr 2019	38,271,679	-69.8%	402,404,867	4.8%
	May 2019	46,136,835	39.9%	448,541,702	7.6%
	June 2019	101,218,865	9.5%	549,760,567	7.9%
FY 2020	July 2019	38,936,808	-7.2%	38,936,808	-7.2%
	Aug 2019	7,137,164	-84.0%	46,073,971	-46.7%
	Sep 2019	110,404,809	79.7%	156,478,781	5.8%
	Oct 2019	1,011,969	-78.0%	157,490,750	3.3%
	Nov 2019	6,754,620	21.5%	164,245,370	3.9%
	Dec 2019	59,572,232	6.3%	223,817,602	4.5%
	Jan 2020	438,771	-3083.8%	224,256,373	4.7%
	Feb 2020	3,894,281	-23.8%	228,150,654	4.1%
	Mar 2020	141,980,034	-2.0%	370,130,688	1.6%
	Apr 2020	26,984,271	-29.5%	397,114,958	-1.3%
	May 2020	40,569,798	-12.1%	437,684,756	-2.4%
	June 2020	97,478,600	-3.7%	535,163,356	-2.7%
FY 2021	July 2020	265,700	-99.3%	265,700	-99.3%
	Aug 2020	46,734,325	554.8%	47,000,024	2.0%
	Sep 2020	95,706,083	-13.3%	142,706,107	-8.8%
	Oct 2020	24,306,380	2301.9%	167,012,488	6.0%
	Nov 2020	2,128,401	-68.5%	169,140,889	3.0%
	Dec 2020	77,146,423	29.5%	246,287,311	10.0%
	Jan 2021	245,753	-44.0%	246,533,064	9.9%
	Feb 2021	5,650,804	45.1%	252,183,869	10.5%
	Mar 2021	143,591,466	1.1%	395,775,334	6.9%
	Apr 2021	57,234,418	112.1%	453,009,752	14.1%
	May 2021	49,228,308	21.3%	502,238,060	14.7%
	June 2021	114,013,386	17.0%	616,251,446	15.2%
FY 2022	July 2021	47,442,766	17755.8%	47,442,766	17755.8%
	Aug 2021	55,907,936	19.6%	103,350,701	119.9%
	Sep 2021	81,736,467	-14.6%	185,087,169	29.7%
	Oct 2021	9,486,660	-61.0%	194,573,828	16.5%
	Nov 2021	217,202	-89.8%	194,791,030	15.2%
	Dec 2021	77,946,451	1.0%	272,737,482	10.7%
	Jan 2022	7,115,757	2795.5%	279,853,238	13.5%
	Feb 2022	10,497,267	85.8%	290,350,505	15.1%
	Mar 2022	106,647,656	-25.7%	396,998,161	0.3%
	Apr 2022	112,682,026	96.9%	509,680,187	12.5%
	May 2022	46,590,838	-5.4%	556,271,025	10.8%
	June 2022	151,382,980	32.8%	707,654,005	14.8%
FY 2023	July 2022	45,779,859	-3.5%	45,779,859	-3.5%
	Aug 2022	67,843,681	21.3%	113,623,540	9.9%
	Sep 2022	36,535,717	-55.3%	150,159,257	-18.9%
	Oct 2022	58,299,814	514.5%	208,459,071	7.1%
	Nov 2022	236,775	9.0%	208,695,846	7.1%
	Dec 2022	88,252,453	13.2%	296,948,298	8.9%
	Jan 2023				
	Feb 2023				
	Mar 2023				
	Apr 2023				
	May 2023				
	June 2023				

JLBC FINANCE ADVISORY COMMITTEE (FAC) MEMBERS

State Treasurer Kimberly Yee serves as the state's Chief Banker and Investment Officer, overseeing approximately \$15 billion in state assets. The Treasurer also serves as the Chair of Arizona's State Board of Investment and State Loan Commission and is a member of the State Land Selection Board. Since the FAC's inception, the sitting State Treasurer has been a panelist.

Sarah Brown is the Director of the Governor's Office of Strategic Planning and Budgeting (OSPB). The sitting OSPB Director is always a FAC panelist.

George W. Hammond is Director and Research Professor of the Economic and Business Research Center in the Eller College of Management at the University of Arizona. Dr. Hammond brings 17 years of experience in state and local econometric forecasting and regional economic analysis to the Center. He has completed over 50 regional economic studies on topics that include economic and workforce development, energy forecasting, and the impact of higher education on human capital accumulation.

Karen Jacobs is a Senior Economist in the Office of Economic Research and Analysis (OERA) at the Arizona Department of Revenue. She has been with OERA for over 28 years. Previously, she served as an Economist with the Office of Strategic Planning and Budgeting (OSPB).

John C. Lucking is President of ECON-LINC, an economic consulting firm. Dr. Lucking also serves as a director for Sanu Resources Ltd., an international mineral exploration company, and as a trustee for several municipal bond mutual funds. Previously, he served as Chief Economist for Bank One Arizona and as the Executive Director of the Governor's Partnership for Economic Development (GSPED). Dr. Lucking has been a member of the FAC since 1987.

Alan E. Maguire is the President of The Maguire Company, an economic and public policy consulting firm. Previously he was a senior municipal investment banker, the Chief Deputy Treasurer of Arizona, and the Economic Advisor to the Arizona State Senate. He is member of the Arizona Economic Estimates Commission and a founding member of the Arizona Blue Chip Economic Forecast panel.

Lorenzo Martinez is Senior Director of Health Sciences for the Arizona Board of Regents (ABOR). Mr. Martinez was previously Vice President of Finance and Administration at ABOR and has been with ABOR for a total of 15 years. His work at ABOR centers around working with the universities and industry leaders to align university programs with state workforce needs, with a particular focus on healthcare and health sciences. Prior to ABOR, he served as Assistant Director with the Arizona Joint Legislative Budget Committee.

Elliott D. Pollack is President of Elliott D. Pollack and Company in Scottsdale, Arizona, an economic and real estate consulting firm established in 1987. Mr. Pollack served as Chief Economist of Valley National Bank in Arizona for 14 years prior to establishing his consulting firm and is currently a member of the Economic Estimates Commission. He has been a member of the FAC since its inception.

Jim Rounds is President of Rounds Consulting Group. The firm specializes in economic development and tax policy research. Previously, Mr. Rounds served as a Senior Economist and Senior Budget Analyst with the Arizona Joint Legislative Budget Committee, and as Senior Vice President at Elliott D. Pollack & Company.

Randie Stein is a Director in the Public Finance Department of the Investment Banking Firm Stifel, Nicolaus & Company, Incorporated. She has been with Stifel since 2004. Ms. Stein has 10 years of experience as a fiscal advisor and Finance Committee analyst in the Arizona State Senate and as an economist/budget analyst with the Joint Legislative Budget Committee and is a former staff director of the School Facilities Board. She has been a member of the FAC since 2005.

Doug Walls is the Labor Market Information Director for the Arizona Office of Economic Opportunity, which generates and manages labor market information for the state. In this role, Mr. Walls provides support for long-term workforce development initiatives around the state. Mr. Walls is also responsible for producing and communicating state employment reports including employment projections, unemployment estimates, median-family income estimates and occupational profiles.