

**ESTIMATED INDIVIDUAL INCOME TAX - 2015 DATA BASE GROWN TO 2019**

Federal Adjusted Gross Income		2018 AZ law 2017 fed law		Tax Under Proposed Arizona Tax Law			% change	
		# Of Returns	Total	Average	# Of Returns	Total		Average
At Least	But Less Than							
Negative Fed. AGI		40,249	\$349,949	\$9	40,249	\$362,501	\$9	3.6%
\$ 0 - \$	10,000	313,642	\$341,770	\$1	313,642	\$72,238	\$0	-78.9%
	10,000 -	410,099	\$38,328,905	\$93	410,099	\$15,932,876	\$39	-58.4%
	20,000 -	193,513	\$42,963,420	\$222	193,513	\$28,794,995	\$149	-33.0%
	25,000 -	189,114	\$60,767,048	\$321	189,114	\$44,901,688	\$237	-26.1%
	30,000 -	324,113	\$156,835,846	\$484	324,113	\$132,002,332	\$407	-15.8%
	40,000 -	243,410	\$173,126,578	\$711	243,410	\$157,460,952	\$647	-9.0%
	50,000 -	417,843	\$437,725,519	\$1,048	417,843	\$428,519,751	\$1,026	-2.1%
	75,000 -	273,044	\$439,085,687	\$1,608	273,044	\$437,607,079	\$1,603	-0.3%
	100,000 -	379,597	\$1,150,994,109	\$3,032	379,597	\$1,161,891,411	\$3,061	0.9%
	200,000 -	105,692	\$902,781,601	\$8,542	105,692	\$886,187,756	\$8,385	-1.8%
	500,000 -	16,297	\$375,578,488	\$23,046	16,297	\$378,438,914	\$23,221	0.8%
	1,000,000 -	7,531	\$471,794,398	\$62,647	7,531	\$476,040,702	\$63,211	0.9%
	5,000,000	896	\$374,480,234	\$417,947	896	\$376,163,090	\$419,825	0.4%
	Over \$5,000,000							
<b>TOTAL</b>		2,915,040	\$4,625,153,552	\$1,587	2,915,040	\$4,524,376,285	\$1,552	-2.2%
Non Resident Add Factor			\$4,948,451,785			\$4,840,630,187		
<b>IMPACT:</b>			<b>(\$107,821,598)</b>					

**CURRENT TAX** is 2018 state law with 2017 federal, exemptions and deductions. The tax rates are set out below.

The personal exemption is \$2,200. It is \$6,600 for a married couple with at least one dependent. The dependent exemption is \$2,300; blind \$1,500; over 65 \$2,100; qualifying ancestor \$10,000; and the standard deduction is \$5,312/\$10,613.

A tax credit of \$40/person (\$40 for uhoh) is allowed, up to \$120 for single/mfs and \$240 for married and uhoh. Income must be \$31,000 or less for mfj, \$26,575 for uhoh, and \$10,000 for single. **ALL OTHER CREDITS ARE NOT INCLUDED IN THE DATABASE.**

**PROPOSED TAX** - est revenue impact includes fed conformity provisions that can be adjusted in the model. Matched fed std deduc amts (12/18/24k). No personal or dependent exemptions. Removes subt for AZ lottery winnings.

Adds 30% of fed charitable to standard deduction. \$100 tax credit per dependent under 17 and \$25 dependent 17 and over (assume 70%/30% dependent split). Credit phased phase out FAGI > 400k mfj and 200k s/mfs/hoh. New rates shown below.

**QUALIFIER:** The database used for this model was chosen based on Arizona tax liability and filing status, and not on any smaller groups within the whole population. Therefore, the impacts shown here are guidelines and should not be considered exact representations of the impact.

**TY2018 Tax Rate Schedule:**

Single		Married	
\$0 - 10,602	2.59%	\$0 - 21,202	2.59%
10,602 - 26,501	2.88%	21,202 - 53,000	2.88%
26,501 - 53,000	3.36%	53,000 - 105,998	3.36%
53,000 - 158,996	4.24%	105,998 - 317,990	4.24%
158,996 and over	4.54%	317,990 and over	4.54%

**Proposed Tax Rate Schedule:**

Single		Married	
\$0 - 26,500	2.85%	\$0 - 53,000	2.85%
26,500 - 106,000	3.35%	53,000 - 212,000	3.35%
106,000 and over	4.38%	212,000 and over	4.38%