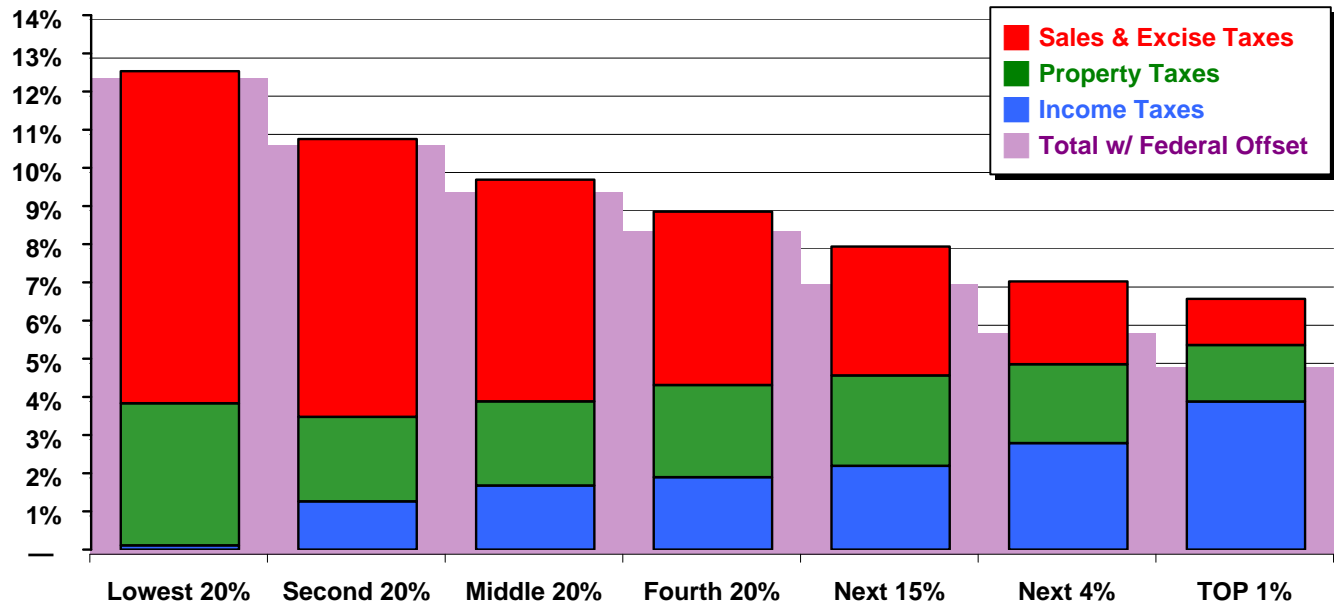


Arizona

State & Local Taxes in 2002

Shares of family income for non-elderly taxpayers



| Income Group | Lowest 20% | Second 20% | Middle 20% | Fourth 20% | Top 20% | | |
|---------------------------------|--------------------|---------------------|---------------------|---------------------|----------------------|-----------------------|-------------------|
| | | | | | Next 15% | Next 4% | TOP 1% |
| Income Range | Less than \$15,000 | \$15,000 – \$25,000 | \$25,000 – \$39,000 | \$39,000 – \$65,000 | \$65,000 – \$127,000 | \$127,000 – \$237,000 | \$237,000 or more |
| Average Income in Group | \$9,500 | \$20,200 | \$31,100 | \$50,900 | \$86,600 | \$168,200 | \$868,600 |
| Sales & Excise Taxes | 8.7% | 7.3% | 5.8% | 4.5% | 3.4% | 2.2% | 1.2% |
| General Sales—Individuals | 4.5% | 4.2% | 3.5% | 2.8% | 2.2% | 1.4% | 0.8% |
| Other Sales & Excise—Ind. | 2.0% | 1.3% | 0.9% | 0.7% | 0.4% | 0.2% | 0.1% |
| Sales & Excise on Business | 2.2% | 1.8% | 1.4% | 1.1% | 0.8% | 0.5% | 0.3% |
| Property Taxes | 3.7% | 2.2% | 2.2% | 2.4% | 2.4% | 2.1% | 1.5% |
| Property Taxes on Families | 3.4% | 2.0% | 1.9% | 2.1% | 1.9% | 1.6% | 0.7% |
| Other Property Taxes | 0.3% | 0.2% | 0.3% | 0.3% | 0.4% | 0.5% | 0.8% |
| Income Taxes | 0.1% | 1.3% | 1.7% | 1.9% | 2.2% | 2.8% | 3.9% |
| Personal Income Tax | 0.1% | 1.2% | 1.6% | 1.9% | 2.1% | 2.7% | 3.7% |
| Corporate Income Tax | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.2% |
| TOTAL TAXES | 12.5% | 10.8% | 9.7% | 8.9% | 7.9% | 7.0% | 6.6% |
| Federal Deduction Offset | -0.1% | -0.0% | -0.2% | -0.4% | -0.9% | -1.2% | -1.7% |
| TOTAL AFTER OFFSET | 12.5% | 10.7% | 9.5% | 8.5% | 7.1% | 5.8% | 4.9% |

Note: Table shows 2002 tax law at 2000 income levels.