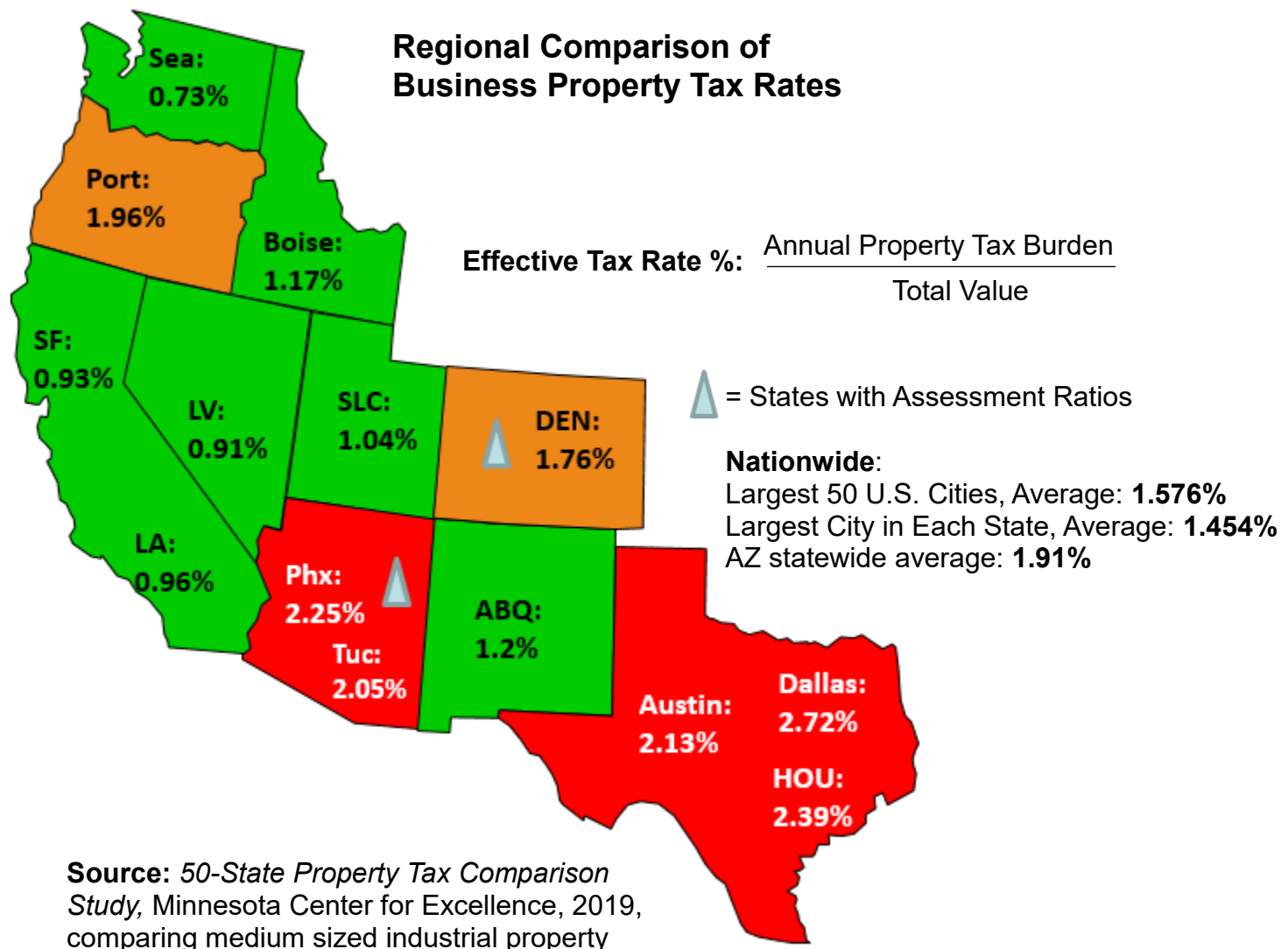


# THE ARIZONA BUSINESS COMMUNITY

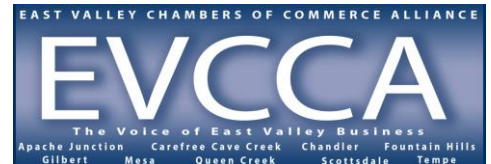
## SUPPORTS PROPERTY TAX REFORM

### Right Size Arizona's Business Property Tax

- Lowering the Class 1 Assessment Ratio from 18% to 17% continues to move the state towards a more equitable, sustainable property tax base
- Arizona's business property taxes are uncompetitive
- AZ ranks high both regionally and nationally in business property taxes
  - Creates demands for incentives for well-connected or new businesses
  - Masks homeowners to the true cost of government
- Lowering the State Equalization Rate avoids tax shifts, gives all taxpayers a small tax cut, & avoids any impact to K-12 education formula



## ORGANIZATIONS IN SUPPORT



## WHAT ARE ASSESSMENT RATIOS?

After property is valued, a ratio is applied to determine how much will be subject to tax

At 18%, business property in Class 1 pays nearly double that of homeowners and renters

Business property subsidizes other classes of property by roughly \$829 million annually

Though Class 1 only makes up 21% of statewide total value, it pays 35.6% of total property taxes