

Taxes and Insurance in Peoria

Arizona relies on a combination of taxes assessed on income, sales and property valuations to meet expenditures. For nine consecutive years, Arizona has reduced taxes and passed legislation favorable to business.

Some notable aspects of the tax code are:

- No Corporate Franchise Tax
- No Business Inventory Tax
- No Income Tax on dividends from out-of-state subsidiaries
- No Worldwide Unitary Tax
- Aggressive Accelerated Depreciation Schedules
- Virtually all Services Exempt from Sales Tax
- 100 percent of NOL may be carried forward for five subsequent years

Peoria Real and Personal Property Tax = \$1.44 for \$100 in assessed value

Primary City Rate **\$.19** for every **\$100** in assessed value

Secondary City Rate **\$1.25** for every **\$100** assessed value

Unemployment Insurance = 0.82% on first \$7,000/employee = \$57.40

For new companies, the rate is **2.7%** for two calendar years, then is set by Arizona Department of Economic Security based on experience. The 0.82% is an average rate of all companies in Arizona.

Workers Compensation

Arizona annual composite worker costs are among the lowest in the nation. The National Council on Compensation Insurance determines coverage rates as endorsed by the Arizona Department of Insurance. Price is based on DOI-approved schedule ratings or rate deviations and on the dividend performance of each carrier. Companies may choose from three methods to insure employees

- + Self-insurance
- + Private carrier policy
- + State Fund

Transaction Privilege and Use Tax: 8.1% (5.6% State; 1.8% City; 0.7% County)

Corporate Income Tax: 6.986%