



MEMORANDUM

Date: June 8, 2011

To: The Honorable Chairman and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator

A handwritten signature in black ink, appearing to read "CHH", is written over the printed name "C.H. Huckelberry".

Re: County Excise and Primary Property Taxes by County

Attached is a table showing the excise tax funding sources for Arizona counties. A number of counties have adopted excise taxes to offset their property tax. Almost all counties, with the exception of Pima and Maricopa, have a general sales tax. Maricopa has a jail tax, as do many other counties. Some counties have a hospital excise tax. In Maricopa County, their hospital is financed through a special district on the secondary property tax levy as opposed to Pima County, where our payments to UA Healthcare, Inc. to assist in the operation of University Physicians Healthcare Hospital are made from our General Fund, the major source of revenue for which is the primary property tax. Only Pima County has no excise tax; general, jail or hospital.

Also included in this table are the primary property tax rates by county for last year and those proposed for Fiscal Year 2011/12. Almost all rates are being increased; some substantially. Maricopa County is increasing their primary rate by 18.1 percent followed by Yavapai County at 17.6 percent. The 10-cent property tax rate increase we have attributed to the State as a State Assistance Tax amounts to a 3.2 percent increase of our primary property tax rate from last year. It should also be noted the primary property tax base has contracted seven percent; therefore, most taxpayers will see a decrease in their County taxes.

CHH/mjk

Attachment

c: Martin Willett, Chief Deputy County Administrator
Hank Atha, Deputy County Administrator for Community and Economic Development
John Bernal, Deputy County Administrator for Public Works
Jan Leshner, Deputy County Administrator for Medical and Health Services
Tom Burke, Director, Finance and Risk Management
Robert Johnson, Budget Manager, Finance and Risk Management

County Excise and Primary Property Taxes

County	County Excise Tax				FY 2010/11 Primary Tax Rate	FY 2011/12 Primary Tax Rate	\$ Change In Primary Tax Rate	% Change in Primary Tax Rate
	General	Jail	Hospital/ Health	Capital Projects				
Apache	0.50%				\$0.4392	\$0.4264	(\$0.0128)	-2.9%
Cochise	0.50%				2.6276	2.6276	0.0000	0.0%
Coconino	0.50%	0.50%		0.125%	0.3953	0.4303	0.0350	8.9%
Gila	0.50%				4.1900	4.1900	0.0000	0.0%
Graham	0.50%				1.8132	1.8556	0.0424	2.3%
Greenlee	0.50%				0.7693	0.7736	0.0043	0.6%
La Paz	0.50%	0.50%			1.8616	1.9700	0.1084	5.8%
Maricopa		0.20%			1.0508	1.2407	0.1899	18.1%
Mohave	0.25%				1.4637	Not Available	N/A	N/A
Navajo	0.50%				0.5572	0.5984	0.0412	7.4%
Pima					3.3133	3.4178	0.1045	3.2%
Pinal	0.50%		0.10%		3.9999	3.9999	0.0000	0.0%
Santa Cruz	0.50%	0.50%			2.8215	3.0560	0.2345	8.3%
Yavapai	0.50%	0.25%			1.3524	1.5900	0.2376	17.6%
Yuma	0.50%	0.50%	0.10%		1.7397	1.8798	0.1401	8.1%

Note: Yuma County FY 2011/12 primary tax rate as listed in recommended budget posted on county's web site. County Supervisors Association indicates potential \$1.8700 tax rate.

Sources: County excise taxes from Arizona Department of Revenue. FY 2010/11 primary tax rates from Property Tax Oversight Commission. FY 2011/12 primary tax rates from county budget offices, tentative or recommended budgets as posted on county web sites, or County Supervisors Association.