

ARIZONA'S ADVANTAGES

ARIZONA
COMMERCE AUTHORITY



WHERE THE WORLD TURNS FOR WHAT'S NEXT



Arizona, the Grand Canyon State,

is known for its breathtaking beauty and limitless sunshine, as well as its emerging technology, surging talent pools and wealth of knowledge. The state's pro-business environment has made it the best place in the nation for next-gen transformations. With a strong culture of innovation, lean regulatory environment and affordable operating costs, Arizona provides the perfect platform for businesses to grow and develop breakthroughs shaping the future.

ARIZONA: YOUR COMPANY'S BEST TALENT RECRUITER

Dynamic and abundant, Arizona's talent is young, highly skilled and ready to work. The state's population is rapidly growing, bringing in diverse talent that is educated and hungry for success.

**In the game
of states,
people vote
with their
feet—and
Arizona is
winning.**

- Arizona Governor
Doug Ducey



#1

STATE FOR
INBOUND MIGRATION

American Enterprise Institute, 2019

#1

COUNTY FOR POPULATION GROWTH
MARICOPA COUNTY

U.S. Census Bureau, 2019

#3

FASTEST-GROWING
STATE IN THE U.S.

U.S. Census Bureau, 2019

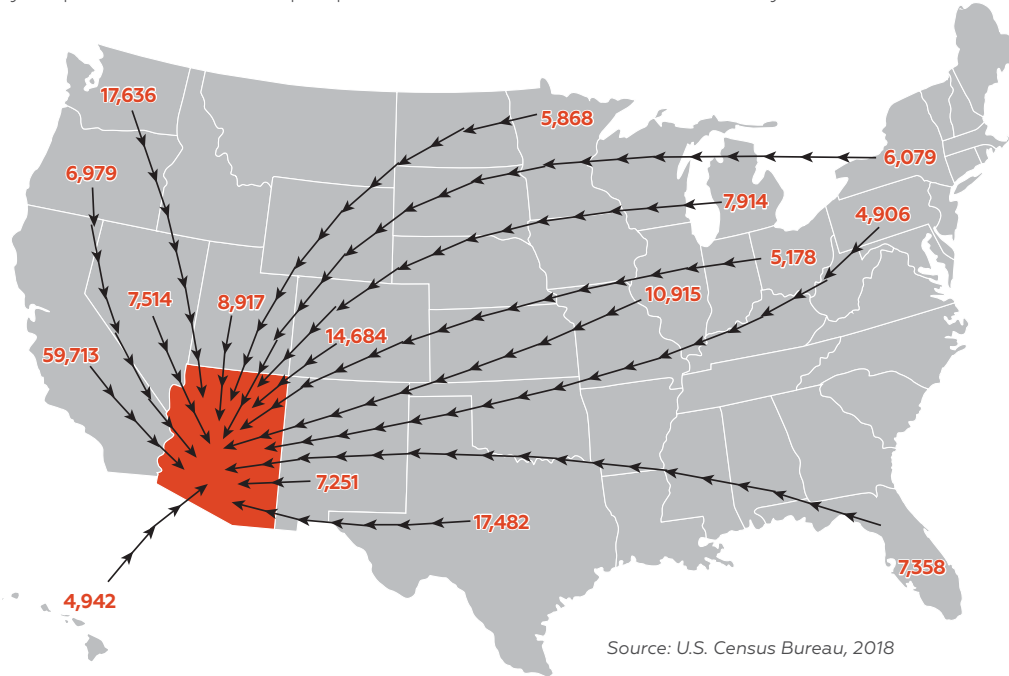
#5

FASTEST POPULATION GROWTH
OVER A 5 YEAR PERIOD
AGES 20-34

Emsi, 2020

A STATE EVERYONE WANTS TO CALL HOME

People from around the country flock to Arizona for its boundless opportunity and stay for its unmatched quality of life. Nearly a quarter of a million people from 15 states moved to and stayed in Arizona in one year.



#1

NET MIGRATION
PHOENIX METRO AREA

U.S. Census Bureau, 2019

#1

FOR ATTRACTING & RETAINING
TALENT, MARICOPA COUNTY

Emsi, 2020

#2

STATE FOR
JOB GROWTH

Bureau of Labor Statistics, 2019

#5

LARGEST CITY IN THE NATION
SINCE 2017, PHOENIX

U.S. Census Bureau

A SURPLUS OF TALENT

As Arizona's population soars, the state is flooded with young, high-quality workers at competitive wages. The Arizona median wage is less than the national average, making a significant difference in your company's operating costs.

Arizona Employment and Wages

OCCUPATIONS	EMPLOYMENT	MEDIAN WAGE
All Occupations	2,866,820	\$38,410
Management	169,310	\$93,560
Business and Financial Operations	166,190	\$63,020
Computer and Mathematical	97,920	\$82,510
Architecture and Engineering	51,730	\$76,470
Sales and Related	286,680	\$28,890
Office and Administrative Support	438,330	\$36,540
Production	108,520	\$34,950
Transportation and Material Moving	227,680	\$31,320

Source: Bureau of Labor Statistics, 2019



HOME TO THE NEXT GENERATION OF LEADERS

Arizona is home to a world-renowned university system and one of the country's largest community college systems, as well as many top-rated elementary and high schools. The trio of state universities, plus community colleges and private colleges and universities, are committed to preparing students for promising futures in leading industries.

#1

MOST INNOVATIVE UNIVERSITY

for the 6th year in a row
Arizona State University

U.S. News & World Report, 2021

TOP 3

SUPPLY CHAIN/
LOGISTICS PROGRAM
Arizona State University

*U.S. News & World Report,
2021*

TOP 4

MANAGEMENT INFORMATION
SYSTEMS PROGRAM
University of Arizona

*U.S. News & World Report,
2021*

TOP 5

PUBLIC ENTREPRENEURSHIP
CONCENTRATION WITHIN MBA
University of Arizona

*U.S. News & World Report,
2021*

#2

BEST MBA, OPERATIONS *Arizona State University*

Princeton Review, 2020



PREMIER K-12 EDUCATION

Arizona's diverse and innovative education system prepares tomorrow's workforce and gives Arizonans more choices when it comes to educating their children. The Arizona system includes magnet schools for the arts, STEM and other specialties, as well as premier public and private schools.

IN ARIZONA

7 OF THE TOP 50

U.S. HIGH SCHOOLS

U.S. News & World Report, 2020

6 OF THE TOP 10

U.S. CHARTER HIGH SCHOOLS

U.S. News & World Report, 2020

#1

CHARTER HIGH SCHOOL IN THE COUNTRY

BASIS Chandler

Located in the Phoenix Metro Area

U.S. News & World Report, 2020



COMPETITIVE BUSINESS ENVIRONMENT

Under Governor Ducey's leadership, Arizona acts as a partner in business success, not a barrier. While the state's population is surging, the size of the government is shrinking. Arizona is on a blitz to wipe out needless regulations, tax-hiking trends and crippling costs, offering a pro-business environment where your company can succeed.

TOP 3
FOR ECONOMIC MOMENTUM

State Policy Reports, 2020



TOP 10
BEST STATE FOR BUSINESS

U.S. News & World Report, 2019



TOP 10
**OVERALL FREEDOM
FROM REGULATION**

Cato Institute, 2019



GOVERNOR DOUG DUCEY ELIMINATED OR IMPROVED

2,200+

REGULATORY BURDENS, THE EQUIVALENT TO A

\$134 MILLION TAX CUT

SIMPLIFIED TAX SYSTEM

Arizona has bucked tax-hiking trends to drive job creation, research and development, and facilities construction and expansion. Businesses with multi-state operations appreciate the transition to a 100 percent sales factor income apportionment formula, which was phased-in completely in 2017.

6TH LOWEST

**CORPORATE TAX RATE
IN THE U.S.**

Tax Foundation, 2020

NO

**FRANCHISE TAX
INVENTORY TAX
ESTATE TAX
GROSS RECEIPTS TAX**

PHOENIX TAX RATES	
Corporate Income Tax Rate	4.90%
Effective Industrial Property Tax Rate	2.16%
Effective Commercial Property Tax Rate	2.57%
Workers' Compensation Costs Per \$100 of Covered Wages	\$0.88
Unemployment Insurance Per Employee (Avg. Rate Multiplied by Taxable Wages)	\$121
Average Sales and Local Tax Rate	8.40%

PROGRAMS TO ENHANCE YOUR SUCCESS

The state's focus on business is simple: keep regulation low and taxes light. This makes Arizona a very affordable place to start, grow and scale a business. The ACA's targeted financial programs are an added benefit.



Qualified Facility

Offers refundable income tax credits up to \$20,000 per qualifying net new job to eligible manufacturing companies that invest in one or more qualifying facilities.



Quality Jobs

The Quality Jobs tax credit offers Arizona income or premium tax credits spread over a three-year period for each net new quality job.



Job Training

Job Training grants reimburse up to 75% of eligible training expenses for employers creating new jobs.



Sales Tax Exemptions for Manufacturing

The Sales Tax Exemption for Machinery and Equipment is a sales tax exemption for various machinery or equipment.



Computer Data Center Program

CDC provides Transaction Privilege Tax and Use Tax exemptions at the state, county and local levels, on qualifying purchases of CDC Equipment.



Military Reuse Zone

Provides property tax exemptions and Transaction Privilege Tax (sales tax) exemptions to qualifying projects located in an MRZ.



Additional Depreciation

Accelerates depreciation schedules for prospective acquisitions of commercial personal property.



Research & Development

The R&D tax credit provides an Arizona income tax credit for increased research and development activities conducted in this state.



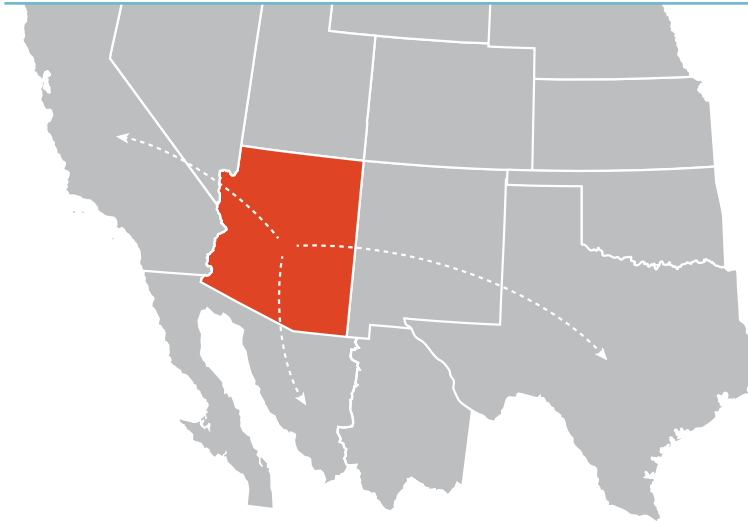
Lease Excise

Lease Excise is a redevelopment tool to initiate development by reducing a project's operating costs by replacing the real property tax with an excise tax.



ACCESS TO WORLD MARKETS

Arizona's southwest location provides access to major regional and international growth markets and supports a robust, healthy and easily accessible supply chain.



ACCESS TO
85 million
consumers

AND

3 of the
world's

largest economies

ALL WITHIN A DAY'S DRIVE

6 PORTS OF
ENTRY WITH
MEXICO

1st INTERNATIONAL AIR CARGO HUB
TO HOUSE BOTH MEXICAN AND
UNITED STATES CUSTOMS

2,000-mile
FREIGHT SYSTEM ACROSS THE STATE

MODERN INFRASTRUCTURE

With a modern infrastructure, master-planned transportation network and an international airport, Arizona companies benefit from trade with various leading industries. Arizonans are also able to fly almost anywhere, should they want to explore the world outside their home oasis.

PHOENIX SKY HARBOR OFFERS MORE THAN

120 destinations + 1,200 flights serving 120K passengers & moving 800 tons of air cargo

EVERY DAY

130,000
MILES OF HIGHWAY

40
PUBLIC TRANSIT
SYSTEMS

TOP 10
STATE FOR TRANSPORTATION
U.S. News & World Report, 2020



Arizona's business climate remains unweathered in part due to the state's lack of natural disasters. Companies do not need to worry about a delay in operations or property damage from weather conditions. Without earthquakes, hurricanes, blizzards and tornadoes, Arizona is an ideal location for businesses that require employees and market access to be available consistently throughout the year.

UNMATCHED QUALITY OF LIFE

Arizonans know that living in a place where people dream about vacationing is something to brag about. Whether hiking, biking, boating or skiing is your thing, it's all here. The state's culture is vibrant, represented by people from across the globe. Arizona's diverse population is united by a pioneering spirit, Southwest heritage and modern vision.

10
JAMES BEARD CHEFS

5
WINERIES SCORED 90+
BY WINE SPECTATOR

400+
GOLF COURSES

22
NATIONAL PARKS, MONUMENTS
AND PRESERVES

7
PROFESSIONAL
SPORTS TEAMS

15
MAJOR LEAGUE
SPRING TRAINING TEAMS

OPERA • BALLET • THEATRES • BOTANICAL GARDENS • ZOOS • SYMPHONIES
MUSICAL, HISTORICAL, ART AND SCIENCE MUSEUMS



FREEDOM TO ENJOY YOUR FREE TIME

With modest commutes and a lower cost of living than many other parts of the country, Phoenix metro residents find the perfect balance that makes life better here.

#2

MOST AFFORDABLE STATE
Senior List, 2019

101.6

PHOENIX METRO AREA COST OF LIVING
100 NATIONAL AVERAGE
C2ER Cost of Living Index, 2020

\$287,100

MEDIAN PHOENIX AREA SINGLE-FAMILY HOME
National Association of Realtors, 2019

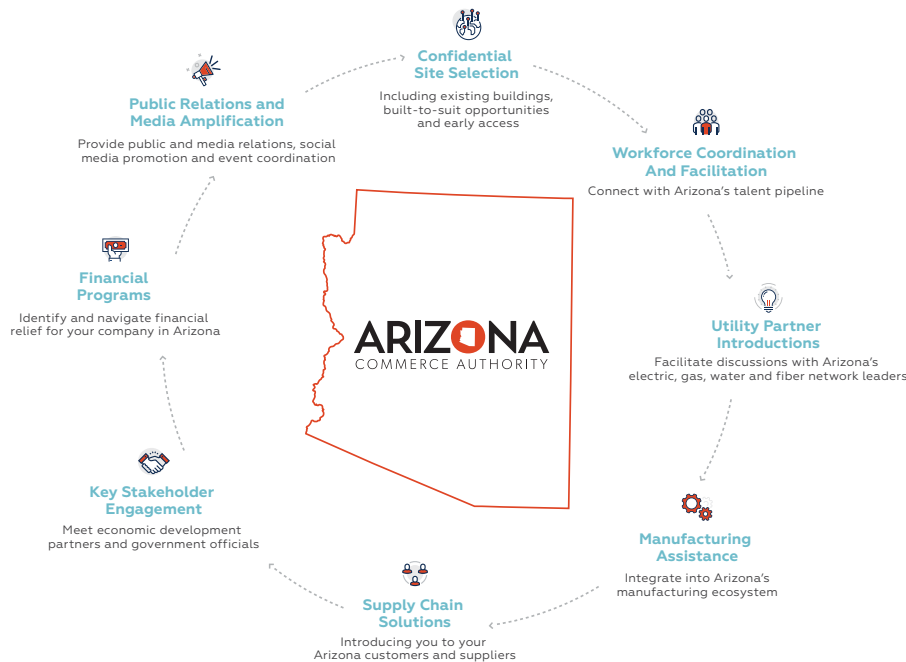
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HOSPITALS IN PHOENIX ACHIEVE A HIGH PERFORMING
RANKING IN AT LEAST ONE SPECIALTY
U.S. News & World Report, 2020



WELCOME TO WHAT'S NEXT

The Arizona Commerce Authority's team of experts will provide a suite of comprehensive services to make it easy to access resources and strategic partners around the state. This tailored service ensures you have all the information you need to support your company's growth.



SANDRA WATSON

President and CEO

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Sandra Watson brings more than 28 years of economic development leadership experience to Arizona. Ms. Watson began her career in Canada and brings not only a wealth of knowledge on the regional, state and national levels but can execute effectively on an international scale. She and her team of experts have successfully attracted more than 1,000 companies to Arizona that have committed to invest nearly \$15 billion in capital and create more than 160,000 jobs.





ARIZONA

COMMERCE AUTHORITY

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