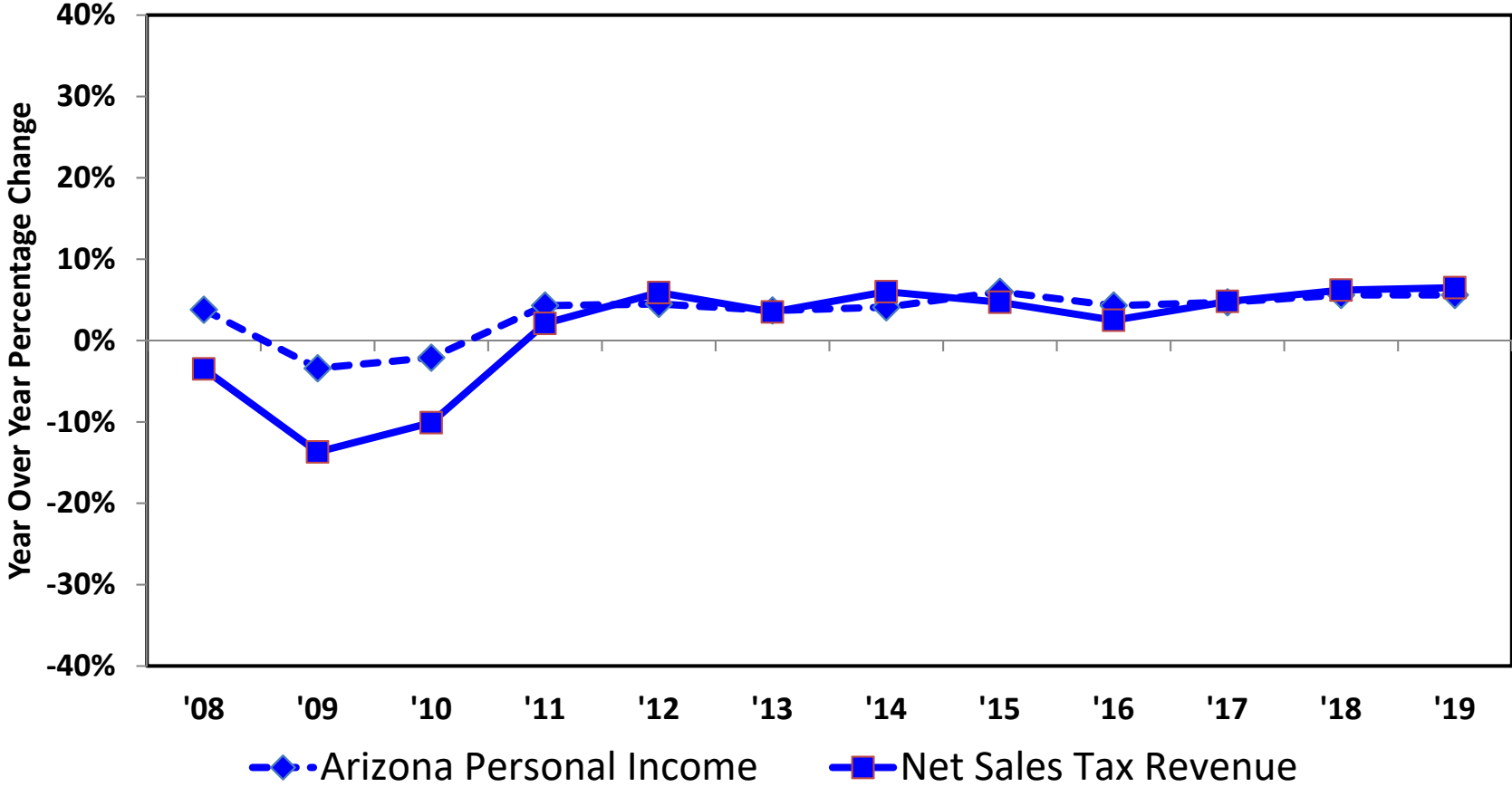


Changes in Sales Tax Collections Tend to Track Arizona Personal Income

- More Divergence in Recession Years



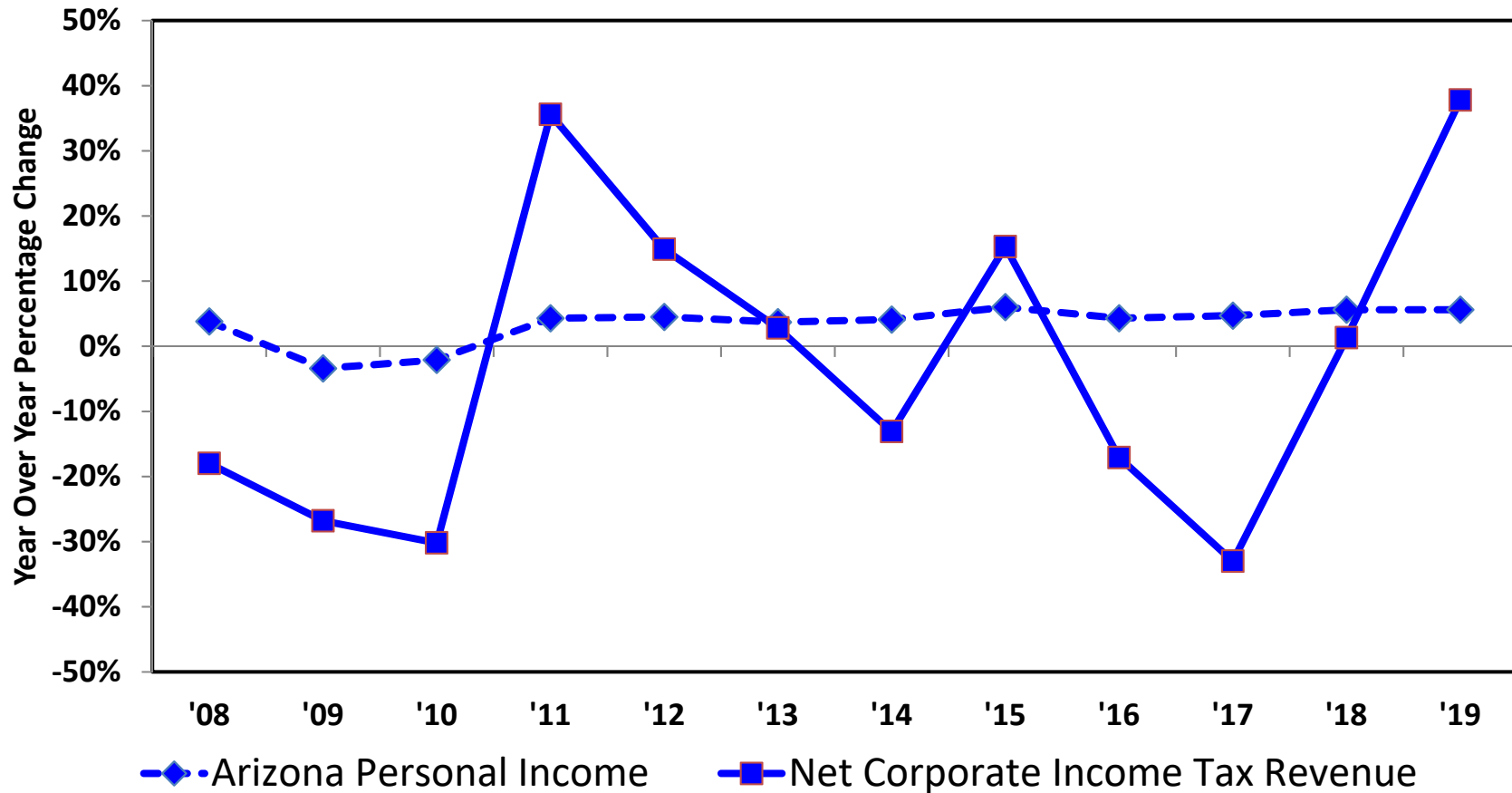
Revenue % change represents net sales tax growth, including tax law changes. It excludes the temporary 1-cent sales tax increase levied from FY 2011 through FY 2013.

Individual Income Tax is More “Elastic” than Sales Tax: Grows More Quickly in Good Times/More Slowly in Bad Times



Revenue % change represents net individual income tax growth, including tax law changes.

Corporate Income Tax is the Most Volatile of the Major Revenue Categories



Revenue % change represents net corporate income tax growth, including tax law changes.