

Table 15: Taxation Page 1

Corporate Income Tax		State	Local
Rate		5.5% - 2016	None
		4.9% - 2017	
Personal Income Tax		State	Local
Rate (Range)		2.59%-4.54%	None
Earned Income		2.59%-4.54%	None
Unearned Income (e.g. Dividend)		See Form 1099	None
Local Occupation Tax (Paid by Employee)		Rate	Basis
City Residents		None	NA
Non-City Residents		None	NA
Local Wage Tax (Paid by Employer)		Rate	Basis
City Residents		None	NA
Non-City Residents		None	NA
Sales/Use Tax Rates			
State (Transaction Privilege Tax)			5.60%
Mohave County Excise Tax			0.25%
Local:	Bullhead City	Kingman	Lake Havasu City
Sales Tax	2.0%	2.5%	2.0%
Use Tax	2.0%	2.5%	2.0%
Jet Fuel Tax	\$0.03/gal.	None	\$0.03/gal.
Hotel/Motel	5.0%	6.5%	5.0%
Restaurant/Bar	None	3.5%	3.0%
Sales Tax by Utility Companies:			
Electric Power			Yes
Natural Gas			Yes
Fuel Oil			No
Water			Yes
Sewer			No
Hazardous Waste Disposal			No
Telephone			
Local			Yes
Long Distance In State			Yes
Long Distance Out of State			Yes
Machinery & Equipment Subject to Sales/Use Tax			
Production			No
Non-Production			Yes
Pollution Control			No
Office Furniture/Fixtures/Equipment			Yes
Sales/Use Tax on:			
Office Building Construction Materials			Yes
Industrial Building Construction Materials			Yes
Manufacturers' Raw Materials			No
Standard Software			Yes
Custom Software			No

Source: Arizona Department of Revenue, 2017. Mohave County, 2017.



Table 15: Taxation Page 2

Intangible Property			
What is Subject to Tax? (e.g. Accounts, Receivables, Capital, Stocks)	NA		
Basis & Rate	NA		
Stock Bond Transaction Fee (Yes or No & its Yes Rate)	NA		
Property Tax Rates	Bullhead City	Kingman	Lake Havasu City
City Tax	\$0.00	\$0.00	\$0.70
County Tax	\$2.81	\$2.81	\$2.81
Schools Primary Rate	\$4.54	\$4.27	\$3.99
Schools Secondary Rate	\$0.00	\$1.40	\$0.00
Schools Total Rate	\$4.54	\$5.66	\$3.99
Community College/JTIED Total Rate	\$1.38	\$1.38	\$1.38
Special Districts: City/Fire	\$0.5 - \$4.53	\$0.50	\$0.5 - \$1.36
Assessment Ratio (%) (Business)	18.0%	18.0%	18.0%
Assessment Ratio for personal property in FTZ	5%	5%	5%
Assessment Ratio (%) (Residential)	10%	10%	10%
Total Effective Tax Rate	1.66% - 2.39%	1.86%	1.69% - 1.84%
Accelerated Depreciation Permitted (Yes or No)	Yes		
Taxable Items:			
Production Machinery & Equipment	Yes		
Non Production Machinery & Equipment	Yes		
Pollution Control	Yes		
Inventory			
Raw Materials	No		
Work in Progress	No		
Finished Goods	No		
Freeport Legislation			
Applicable to Warehousing	NA		
Applicable to Manufacturing	NA		
Goods Stored in a Public Warehouse	NA		
Office Furniture-Fixtures			
Computer Equipment	Yes		
Workstations	Yes		
Telephones	Yes		
Furniture	Yes		
Company Vehicles	No		
Standard Software	No		
Custom Software	No		

Source: Arizona Department of Revenue, 2017; Mohave County, 2017.

Note: Assessed value for personal property is based on the full cash value after application of the \$159,498 exemption (2017) and the assessment ratio for the legal class of property. If in a Foreign Trade Zone, the accelerated depreciation for personal property is not allowed, although the assessment ratio is reduced from 18% to 5%.

