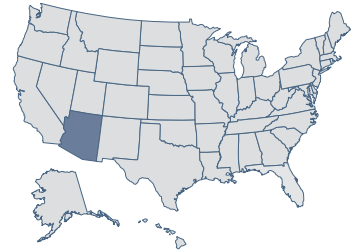


Arizona

8 Economic Performance
Rank: 2009

3 Economic Outlook
Rank: 2009



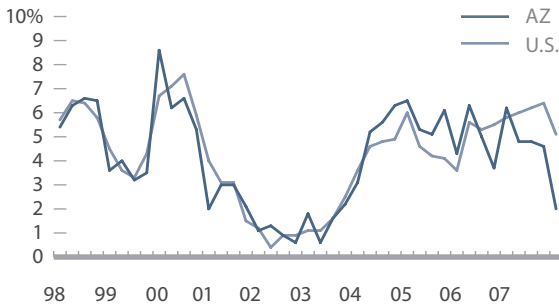
Economic Performance Rank (1=best 50=worst)

A historical measure based on a state's performance (equally weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

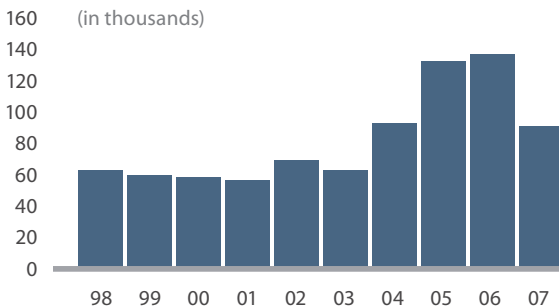
Economic Outlook Rank (1=best 50=worst)

A forecast based on a state's standing (equally weighted average) in the 15 important state policy variables shown below. Data reflect state + local rates and revenues and any effect of federal deductibility.

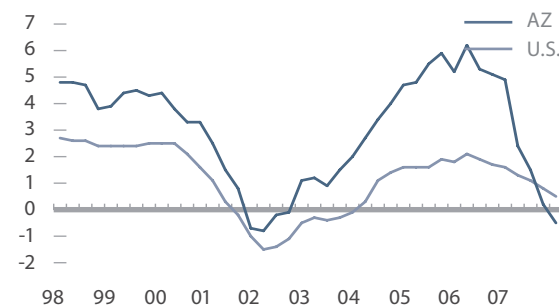
Personal Income Per Capita Cumulative Growth 1997-2007 **47.9%** **Rank: 36**



Absolute Domestic Migration Cumulative 1998-2007 **817,169** **Rank: 2**



Non-Farm Payroll Employment Cumulative Growth 1997-2007 **34.4%** **Rank: 2**



Historical Ranking Comparison
2008 ECONOMIC OUTLOOK RANK **6**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.54%	15
Top Marginal Corporate Income Tax Rate	6.97%	23
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$10.37	31
Property Tax Burden (per \$1,000 of personal income)	\$28.83	19
Sales Tax Burden (per \$1,000 of personal income)	\$31.97	44
Remaining Tax Burden (per \$1,000 of personal income)	\$13.81	5
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2007 & 2008, per \$1,000 of personal income)	-\$1.34	11
Debt Service as a Share of Tax Revenue	7.8%	30
Public Employees Per 10,000 of Population (full-time equivalent)	473.8	2
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	65.3	15
State Minimum Wage (federal floor is \$6.55)	\$6.90	29
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.67	7
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax or Expenditure Limits (0= least/worst, 3=most/best)	2	4