

COMPARISON OF ARIZONA'S EXPENDITURES FOR SERVICES TO THE MINING AND AGRICULTURAL
INDUSTRIES WITH ASSESSED VALUATIONS AND STATE PROPERTY TAXES PAID.

PERIOD 1949 - 1952

According to the State Auditor's reports for the last four years (1949-1952) Arizona has appropriated and spent an average of \$484,920.22 annually for agricultural and livestock services, as compared with \$98,904.91 for mining services. These figures are shown in detail in Table I.

The average annual mining valuation for the same period (1949-1952) was \$196,030,223, as compared with an average annual agricultural valuation of \$87,475,246 and a livestock valuation of \$13,601,873, or a combined annual agricultural and livestock valuation of \$101,077,119. In other words, although the assessed valuation of the combined agricultural and livestock industry was only slightly more than one-half of the assessed valuation of the state's mining properties, the state spent almost five times as much for services to the agricultural and livestock industries than for services to the mining industry. These figures are shown in detail in Table II.

The state property taxes paid by the combined agricultural and livestock industries amounted to \$32.52 per \$10,000 value of their marketings, as compared with \$95.03, per \$10,000 value of mining product, paid by the mining industry. The state property tax alone (\$95.03) amounted to almost three times the combined agricultural and livestock tax of \$32.52. These figures are also shown in detail in Table II.

In addition to the state property taxes paid into the General Fund for government operations, 28.4% of the 1% Severance Tax on mining production, and 28.4% of the $\frac{1}{4}$ of 1% Sales Tax on wholesale meat products and wholesale feed, are paid into the General Fund by the mining and livestock industries. Table III shows that the mining industry pays \$25.14 per \$10,000 product value into the General Fund, while the agricultural and livestock industries pay \$1.10 per \$10,000 product value. The grand total property and production taxes paid by the mining industry into the State's General Fund is therefore \$120.17 per \$10,000 value of product, or 3.6 times the amount (\$33.62) paid by the combined agricultural and livestock industries.

The object of this comparison was not to criticize the amount the State gives to agriculture and livestock services, nor was there a desire to cut them down or in any way restrict them. These industries are made up of an extremely large number of individuals who are in no position to expend large sums in experiments and research, the way the large mining companies do. The object of the study was, rather, to justify the expenditures for the mining industry, which, in addition to the large companies, is made up of many prospectors and small operators who derive considerable benefit from the services the state provides for them, and which they could not provide for themselves.

TABLE I
ARIZONA'S STATE GOVERNMENTAL EXPENDITURES FOR
AGRICULTURAL, LIVESTOCK AND MINING INDUSTRIES.

YEARS 1949 - 1952

Source: State Auditor's Annual Reports

	Fiscal 1951-1952	Fiscal 1950-1951	Fiscal 1949-1950	Fiscal 1948-1949	Total 4 Years
Livestock					
Sanitary Board	\$315,368.38	\$283,505.74	\$282,774.42	\$250,600.64	\$1,132,249.18
Com. of Agric. & Horticulture	229,702.24	161,371.76	146,800.87	146,802.99	684,677.86
State Dairy Commission	16,468.90	15,770.72	16,109.45	11,470.23	59,819.30
Sheep Sanitary Commission	9,892.77	10,194.01	10,107.55	9,540.37	39,734.70
Fruit-Veg. Standard- ization Com.	5,799.84	5,800.00	5,800.00	5,800.00	23,199.84
TOTAL	\$577,232.13	\$476,642.23	\$461,592.29	\$424,214.23	\$1,939,680.88
AVERAGE PER YEAR					\$ 484,920.22
State Dept. of Mineral Resources	\$ 49,052.77	\$ 24,851.41	\$ 24,550.14	\$ 33,092.78	\$ 131,547.10
State Mine Inspector	30,662.59	24,389.54	26,377.69	25,998.72	107,428.54
Copper Tariff Board	2,400.00	2,439.75	3,037.36	2,400.00	10,277.11
Arizona Bureau of Mines *	38,475.25	39,813.62	33,980.96	34,097.05	146,366.88
TOTAL	\$120,590.61	\$ 91,494.32	\$ 87,946.15	\$ 95,588.55	\$ 395,619.63
AVERAGE PER YEAR					\$ 98,904.91
* Figures taken from Annual Reports of University.					

Arizona Department of Mineral Resources

December, 1953

TABLE II

COMPARISON OF STATE PROPERTY TAXES PAID INTO STATE GENERAL FUND
BY MINING, AGRICULTURE AND LIVESTOCK INDUSTRIES
PERIOD 1949 - 1952

AGRICULTURAL ASSESSED VALUATIONS, PRODUCTION, AND STATE PROPERTY TAXES					
	Assessed Valuation *	Value of Marketings *	State Property Taxes Paid.		Per \$10,000 Product .
			Amount	Per \$100 Val.	
1949	\$ 82,420,716	\$ 163,918,000	\$ 535,735	\$.65	\$ 32.68
1950	85,311,859	184,654,000	1,322,334	1.55	71.61
1951	87,883,879	229,031,000	834,897	.95	36.45
1952	94,284,531	269,613,000	848,561	.90	31.47
TOTAL	\$349,900,985	\$ 847,216,000	\$3,541,527	\$1.012	\$ 41.80
Avg. Per Yr.	\$ 87,475,246	\$ 211,804,000	\$ 885,382		
LIVESTOCK ASSESSED VALUATION, PRODUCTION AND STATE PROPERTY TAXES					
1949	\$ 11,919,156	\$ 70,481,000	\$ 77,475	\$.65	\$ 10.99
1950	11,643,522	94,211,000	180,475	1.55	19.16
1951	12,341,094	130,938,000	117,240	.95	8.95
1952	18,503,720	112,582,000	166,533	.90	14.79
TOTAL	\$ 54,407,492	\$ 408,212,000	\$ 541,723	\$.996	\$ 13.27
Avg. Per Yr.	\$ 13,601,873	\$ 102,053,000	\$ 135,431		
COMBINED AGRICULTURAL & LIVESTOCK ASSESSED VALUATION, PRODUCTION AND STATE PROPERTY TAXES					
1949	\$ 94,339,872	\$ 234,399,000	\$ 613,210	\$.65	\$ 26.16
1950	96,955,381	278,865,000	1,502,809	1.55	53.89
1951	100,224,973	359,969,000	952,137	.95	26.45
1952	112,788,251	382,195,000	1,015,094	.90	26.56
TOTAL	\$404,308,477	\$1,255,428,000	\$4,083,250	\$1.010	\$ 32.52
Avg. Per Yr.	\$101,077,119	\$ 313,857,000	\$1,020,813		
MINING PROPERTY ASSESSED VALUATION, PRODUCTION AND STATE PROPERTY TAXES					
1949	\$195,070,613	\$ 177,894,000	\$1,267,959	\$.65	\$ 71.28
1950	194,680,500	201,034,000	3,017,548	1.55	150.10
1951	197,786,912	235,289,000	1,878,975	.95	79.86
1952	196,582,867	220,686,000	1,769,246	.90	80.17
TOTAL	\$784,120,892	\$ 834,903,000	\$7,933,728	\$1.012	\$ 95.03
Avg. Per Yr.	\$196,030,223	\$ 208,725,750	\$1,983,432		

* Source: State Tax Commission, Valley National Bank "Statistical Review"

TABLE III

COMPARISON OF SALES TAXES PAID INTO STATE GENERAL FUNDBY MINING AND LIVESTOCK INDUSTRIES *FISCAL YEARS 1949, 1950, 1951, 1952

<u>COMBINED AGRICULTURAL AND LIVESTOCK INDUSTRY</u>					
	Assessed Valuation	Value of Marketings	Special Sales Taxes Paid *		
			Amount	Per \$100 Val.	Per \$10,000 Product
1949	\$ 94,339,872	\$ 234,399,000	\$ 31,958	\$.03	\$ 1.36
1950	96,955,381	278,865,000	29,255	.03	1.05
1951	100,224,973	359,969,000	34,253	.03	.95
1952	112,788,251	382,195,000	42,127	.04	1.10
TOTAL	\$404,308,477	\$1,255,428,000	\$ 137,593	\$.034	\$ 1.10
Avg. Per. Yr.	\$101,077,119	\$ 313,857,000	\$ 34,398		

<u>MINING INDUSTRY</u>					
1949	\$195,070,613	\$177,894,000	\$ 522,043	\$.27	\$29.35
1950	194,680,500	201,034,000	386,194	.20	19.21
1951	197,786,912	235,289,000	612,067	.31	26.01
1952	196,582,867	220,686,000	578,526	.29	26.21
TOTAL	\$784,120,892	\$834,903,000	\$2,098,830	\$.268	\$25.14
Avg. Per. Yr.	\$196,030,223	\$208,725,750	\$ 524,708		

* 28.4% of the 1% Sales Tax on Mining Production, and 28.4% of the $\frac{1}{4}$ of 1% Sales Tax on Wholesale Meat Packing and Wholesale Feed.

Source: State Tax Commission Biennial Reports

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