

MINE TAXATION IN ARIZONA
FIVE YEARS, 1956-1960 INCL.

The Arizona Department of Mineral Resources has compiled a statistical analysis of mine taxation in Arizona (for the last five years). The source of the data was State Tax Commission reports.

As the assessed valuation of mining property is concentrated to the extent of 99.23 percent in six counties (Cochise, Gila, Greenlee, Pima, Pinal and Yavapai), the average tax-rate for these six counties is applied against all mining property in the State, for comparative purposes.

Following is a summary of the 1960 net valuation, taxes paid and tax rate for all Arizona property and for all Arizona mining property:

	ALL PROPERTY		ALL MINING PROPERTY	
Net Valuation	\$1,599,816,242		\$247,706,661	
	<u>Taxes Paid</u>	<u>Tax-Rate</u>	<u>Taxes Paid</u>	<u>Tax-Rate</u>
State Taxes	\$ 21,117,574	\$ 1.320	\$ 3,269,728	\$ 1.320
County Taxes	17,383,250	1.087	3,242,480	1.309
School Taxes	68,721,903	4.295	9,380,651	3.787
City & Fire Dist. Taxes	15,006,986	.938	1,664,589	.672
Total Property Taxes	\$122,229,713	\$ 7.640	\$17,557,448	\$ 7.088
Production (or Sales) Taxes on Mine Production			2,601,485	1.050
50% Increased Taxes on Mine Production			1,300,743	.525
Total Mining Taxes			\$21,459,676	\$ 8.663

Although over 99 percent of all mining taxes have been paid in only six of the fourteen counties, a large proportion of the amount paid into the state general fund has been re-distributed to all the counties according to their average daily school attendance (at \$170 per pupil). Hence the mining companies have been contributing to the support of schools in all the counties. Likewise, the production (or sales) tax paid by the mining companies has gone into the state general fund (28.4%), to all the counties (42.6%), to all the cities (10%), social welfare (15.0%), and 4% for administration expense. Here again, even though the mining companies have helped to keep their own county tax-rate down, they have also contributed to the support of the other counties.

Senate Bill 36 enacted by the 24th Legislature in the First Regular Session, in 1959, increased state A.D.A. aid to schools from \$127.00 to \$170.00 per pupil, and reduced county aid from \$30.50 to \$10.00; amounts to be paid on basis of current A.D.A. In addition, the counties are to provide \$20.00 per A.D.A. which is to be used as equalization fund within the county.

House Bill 68, also enacted in the same legislative session in 1959, increased present sales tax rate by 50%, and provided that all of funds thus collected shall go to Education Excise Tax Fund, and shall be appropriated for educational purposes.

TABLE 1

ASSESSED VALUATIONS OF EACH CLASS OF PROPERTY IN ARIZONA

Compiled by Arizona Department of Mineral Resources From Annual Reports of State Board of Equalization.

<u>CITY AND TOWN LOTS:</u>	<u>1956</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>
City & Town Lots	\$ 78,794,762	\$ 82,748,109	\$ 87,988,359	\$ 90,834,274	\$ 97,898,847
Improvements	347,501,100	386,865,105	431,769,052	486,583,046	547,169,179
Total Gross Valuation	\$426,295,862	\$469,613,214	\$519,757,411	\$577,417,320	\$645,068,026
Less Exemptions	37,308,223	39,681,944	40,951,740	41,836,746	42,458,348
Net Valuation	\$388,987,639	\$429,931,270	\$478,805,671	\$535,580,574	\$602,609,678
<u>MINING:</u>					
Prod. (Pat'd & Unpat'd) Min'g Claims	\$257,650,800	\$192,186,883	\$155,455,543	\$183,125,992	\$178,635,080
Improvements on above	13,718,121	22,809,276	23,883,946	17,678,786	21,541,600
Non-Prod. (Pat'd & Unpat'd) Mining Claims & Millsites	1,763,914	1,655,342	1,631,629	1,748,999	1,763,257
Improvements on above	971,764	1,277,764	1,241,551	853,275	3,717,249
Smelters, Mills, Machinery & Supplies	31,189,151	28,074,899	27,479,007	38,873,018	42,168,177
Total Gross Valuation	\$305,293,750	\$246,004,164	\$209,691,676	\$242,280,070	\$247,825,363
Less Exemptions	84,674	83,224	82,686	81,355	118,702
Net Valuation	\$305,209,076	\$245,920,940	\$209,608,990	\$242,198,715	\$247,706,661
<u>RAILROADS:</u>					
Main Line	\$112,730,381	\$112,679,005	\$110,551,930	\$118,009,661	\$117,945,223
Railroad Spurs	193,244	323,842	96,952	111,942	678,141
Gross & Net Val. (No Exemptions)	\$112,923,625	\$113,002,847	\$110,648,882	\$118,121,603	\$118,623,364
<u>ALL FARMS AND LIVESTOCK:</u>					
<u>FARMING:</u>					
Irrigated Lands	\$ 32,348,249	\$ 32,714,536	\$ 32,748,124	\$ 32,823,077	\$ 34,343,617
Pump Lands	11,473,040	11,766,992	12,179,535	12,265,568	12,418,683
Dry Farming Lands	1,066,658	1,078,154	1,232,977	1,329,135	1,543,130
Desert Lands	5,189,890	5,277,583	9,868,810	10,381,328	12,093,858
Other Lands	3,610,011	3,798,285	5,277,838	5,781,755	6,830,633
Improvements on All Lands	65,919,201	72,377,890	78,318,213	85,112,577	97,900,770
Farm Machinery	10,191,225	9,180,644	9,412,705	9,953,363	9,636,676
Irrigation Pumping Plants	15,346,843	16,120,814	16,498,301	17,286,935	17,842,884
Total Gross Valuation	\$145,145,117	\$152,314,898	\$165,536,503	\$174,933,738	\$192,610,251
Less Exemptions	11,348,830	11,888,496	12,269,265	12,858,864	12,999,627
Net Valuation	\$133,796,287	\$140,426,402	\$153,266,838	\$162,074,874	\$179,610,624

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TABLE I Cont'd

ALL FARMS AND LIVESTOCK: Cont'd
LIVESTOCK:

	<u>1956</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>
All Grazing Lands	\$ 6,963,470	\$ 7,036,787	\$ 7,425,772	\$ 7,665,428	\$ 7,455,222
Livestock	13,961,128	8,712,326	8,879,323	11,817,037	12,694,523
Total Gross Valuation	\$ 20,924,598	\$ 15,749,113	\$ 16,305,095	\$ 19,482,465	\$ 20,149,745
Less Exemptions	1,023,061	1,000,420	1,083,631	1,106,639	1,108,259
Net Valuation	\$ 19,901,537	\$ 14,748,693	\$ 15,221,464	\$ 18,375,826	\$ 19,041,486

ALL FARMS & LIVESTOCK:

Net Valuation	\$153,697,824	\$155,175,095	\$168,488,702	\$180,450,700	\$198,652,110
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UTILITIES:

Gas, Elec, Light & Power Plants	\$ 60,492,259	\$ 64,404,737	\$ 69,612,164	\$ 80,381,988	\$ 87,801,417
Transmission Lines	2,873,282	5,084,334	5,981,456	7,787,829	15,187,865
Water Works (Public Service)	5,291,638	5,476,016	4,455,496	5,032,139	4,754,406
Total Gross Valuation	\$ 68,657,179	\$ 74,965,087	\$ 80,049,116	\$ 93,201,956	\$107,743,688
Less Exemptions	460,962	254,215	284,088	482,960	4,350
Net Valuation	\$ 68,196,217	\$ 74,710,872	\$ 79,765,028	\$ 92,718,996	\$107,739,338
Pipe Lines (Gross & Net Val.)					
No Exemptions	61,462,262	70,117,603	80,743,519	83,529,206	89,554,208
Telephone Lines (Gross & Net Val.)	45,513,822	52,130,513	60,296,321	69,184,749	78,593,239
Telegraph Lines (Gross & Net Val.)	602,795	599,152	598,754	485,728	486,653
Total Net Val. of Utilities	\$175,775,096	\$197,558,140	\$221,403,622	\$245,918,679	\$168,634,100

STOCKS OF MERCHANDISE: (Gross Val.)

	\$ 41,392,402	\$ 43,149,582	\$ 44,484,301	\$ 46,892,288	\$ 54,714,677
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HOUSEHOLD FURNITURE: (Gross Val.)

	\$ 29,618,129	\$ 34,274,693	\$ 38,186,445	\$ 42,571,376	\$ 48,243,512
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INDUSTRIAL PLANTS: (Exc. Mining & Sawmill Plants) Gross Valuation

	\$ 17,625,138	\$ 18,159,578	\$ 22,678,617	\$ 24,694,804	\$ 27,300,966
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TIMBER & SAW-MILLS:

Standing Timber	\$ 722,795	\$ 822,042	\$ 557,384	\$ 340,153	\$ 308,752
Lumber at Mills	72,000	130,250	126,750	76,750	74,000
Saw-mills & Machinery	1,941,408	1,965,117	2,198,180	2,248,147	2,362,132
Gross Valuation	\$ 2,736,203	\$ 2,917,409	\$ 2,882,314	\$ 2,665,050	\$ 2,744,884

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TABLE I Cont'd

	<u>1956</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>
<u>FURNITURE & FIXTURES: (Office & Store)</u>					
Gross Valuation	\$ 112,704,111	\$ 14,123,121	\$ 14,893,030	\$ 15,663,761	\$ 19,104,460
<u>AIRPLANES: (Gross Valuation)</u>	\$ 510,345	\$ 797,440	\$ 683,721	\$ 700,311	\$ 986,520
<u>ALL OTHER PROPERTY: (Gross Val.)</u>	\$ 22,743,570	\$ 16,911,710	\$ 19,291,287	\$ 21,639,888	\$ 23,355,124
<u>EXEMPTIONS NOT LISTED ABOVE:</u>	\$ 26,550,612	\$ 19,118,930	\$ 20,799,162	\$ 21,875,343	\$ 21,600,689
<u>MANUFACTURERS' INVENTORY:</u>					
Gross Valuation	\$ 15,150,296	\$ 17,978,646	\$ 21,292,134	\$ 21,382,648	\$ 24,754,555
Less Exemptions	14,316,712	17,237,200	20,576,297	20,579,358	23,811,555
Net Valuation	\$ 833,584	\$ 741,446	\$ 715,837	\$ 803,290	\$ 943,000
<u>OIL AND GAS INTERESTS:</u>	\$ -	\$ -	\$ -	\$ -	\$ 58,537
<u>TOTAL ALL PROPERTY: (Gross Val.)</u>	\$1,329,239,204	\$1,343,408,780	\$1,408,019,126	\$1,554,846,961	\$1,701,917,772
<u>TOTAL EXEMPTIONS:</u>					
Manufacturers' Inventory	\$ 14,316,712	\$ 17,237,200	\$ 20,576,297	\$ 20,579,358	\$ 23,811,555
Non-Profit Organizations	21,544,571	15,150,712	15,864,330	16,008,915	13,748,628
Veterans	39,701,250	40,042,697	41,630,920	43,210,462	43,824,739
Widows	15,530,541	16,833,819	17,975,322	19,022,530	20,716,608
Total Exemptions	\$ 91,093,074	\$ 89,264,428	\$ 96,046,869	\$ 98,821,265	\$ 102,101,530
<u>TOTAL NET VAL. ALL PROPERTY</u>	\$1,238,146,130	\$1,254,144,352	\$1,311,972,257	\$1,456,025,696	\$1,599,816,242

TABLE II

NET VALUATIONS OF ALL MINING PROPERTY IN ARIZONA

	Productive (Pat'd & Unpat'd)		Non-Productive (Pat'd & Unpat'd)		Smelters, Con- centrators, Mining Mch. & Supplies	Ex- emptions	Total Valuations All Mining Property	Value of Mining Production Preceding Yr.*
	Mining Claims	Improvements	Mining Claims	Improvements				
1956	\$ 257,650,800	\$ 13,718,121	\$ 1,763,914	\$ 971,764	\$ 31,189,151	\$ 84,674	\$305,209,076	\$ 355,929,000
1957	192,186,883	22,809,276	1,655,342	1,277,764	28,074,899	83,224	245,920,940	450,599,680
1958	155,455,543	23,883,946	1,631,629	1,241,551	27,479,007	82,686	209,608,990	332,081,963
1959	183,125,992	17,678,786	1,748,999	853,275	38,873,018	81,355	242,198,715	273,398,148
1960	178,635,080	21,541,600	1,763,257	3,717,249	42,168,177	118,702	247,706,661	282,977,000

* Values are based on production of copper, lead, zinc, gold and silver during preceding year.

NET VALUATIONS OF ALL ARIZONA MINING PROPERTY
By Counties - For Years 1956-1960 Incl.

6 Major Mining Counties:

	1956	1957	1958	1959	1960
Cochise	\$ 28,628,134	\$ 16,496,429	\$ 12,679,945	\$ 13,939,996	\$ 14,106,339
Gila	32,308,140	29,978,800	25,635,496	30,083,275	34,526,868
Greenlee	94,685,280	82,475,360	70,867,547	75,355,208	75,121,255
Pima	64,996,435	49,741,740	41,562,276	50,839,882	56,596,762
Pinal	73,423,632	57,072,438	50,464,992	63,164,218	58,007,292
Yavapai	9,038,936	7,716,529	6,770,759	6,965,423	7,985,570

Other Counties:

Apache	211,952	169,832	302,305	244,541	194,685
Coconino	68,852	427,922	108,205	92,117	96,195
Graham	140,580	90,580	54,830	26,170	26,170
Maricopa	67,175	447,210	371,985	477,195	280,390
Mohave	791,895	842,895	890,080	582,260	400,685
Navajo	-	-	-	12,000	44,235
Santa Cruz	718,300	308,820	209,680	186,065	162,880
Yuma	129,765	152,385	125,890	230,365	157,335
TOTALS	\$305,209,076	\$245,920,940	\$209,608,990	\$242,198,715	\$247,706,661

TABLE III

NET VALUATIONS OF TOTAL ARIZONA PROPERTY AND OF THE SIX MAJOR MINING COUNTIES

TAX LEVIES AND RATES FOR SAME PERIODS

Source: Biennial Reports of State Tax Commission

<u>TOTAL ARIZONA PROPERTY:</u>	<u>1956</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>
Valuation	\$1,238,146,130	\$1,254,144,352	\$1,311,972,257	\$1,456,025,696	\$1,599,816,242
Tax Levy	76,348,470	95,720,805	105,227,216	112,299,421	122,229,713
Tax Rate	\$6.166	\$7.632	\$8.021	\$7.713	\$7.640
<u>SIX MAJOR MINING COUNTIES:</u>	<u>(All Property Valuations:)</u>				
Cochise	\$ 78,777,328	\$ 67,020,748	\$ 66,050,665	\$ 70,081,347	\$ 72,404,154
Gila	41,999,996	40,261,575	35,991,690	41,437,523	46,549,163
Greenlee	100,903,726	88,630,279	77,068,907	81,842,669	81,625,444
Pima	230,228,478	229,988,262	242,713,350	271,355,762	302,144,640
Pinal	138,806,869	124,250,311	118,702,926	135,169,485	132,130,339
Yavapai	45,505,778	45,993,552	47,716,424	52,840,653	56,960,761
<u>TOTAL VALUATIONS</u>	\$ 636,222,175	\$ 596,144,727	\$ 588,083,962	\$ 652,727,439	\$ 691,814,501
Tax Levy	\$ 33,065,930	\$ 41,616,717	\$ 42,616,127	\$ 46,167,376	\$ 49,031,445
Tax Rate	\$5.197	\$6.981	\$7.247	\$7.073	\$7.088
<u>ALL MINING PROPERTY:</u>	<u>(Using Tax Rate of Six Major Mining Counties)</u>				
Valuation	\$ 305,209,076	\$ 245,920,940	\$ 209,608,990	\$ 242,198,715	\$ 247,706,661
Tax Levy	15,861,716	17,167,731	15,190,363	17,130,715	17,557,448
<u>ALL MINING PROPERTY IN SIX MAJOR MINING COUNTIES:</u>					
Valuation	\$ 303,080,557	\$ 243,481,296	\$ 207,821,015	\$ 240,348,002	\$ 246,344,086
Tax Levy	15,751,097	16,997,430	15,060,789	16,999,814	17,460,869

TABLE IV

ARIZONA PROPERTY TAX LEVIES
STATE, COUNTY, CITY AND SCHOOL

ALL COUNTIES:	State Taxes	General Co. Taxes	School Dist. Taxes	City & Fire Dist. Taxes	Total Prop. Taxes
1956	\$12,381,461	\$11,839,444	\$44,137,060	\$ 7,990,505	\$ 76,348,470
1957	16,930,949	15,405,617	54,360,687	9,021,552	95,718,805
1958	20,073,176	14,898,424	61,213,189	9,042,427	105,227,216
1959	24,752,437	15,782,241	59,611,018	12,153,725	112,299,421
1960	21,117,574	17,383,250	68,721,903	15,006,986	122,229,713

SIX MAJOR MINING COUNTIES:

1956	\$ 6,362,222	\$ 6,491,457	\$16,809,012	\$ 3,403,240	\$ 33,065,930
1957	8,047,954	8,824,426	20,758,463	3,985,873	41,616,717
1958	8,997,684	8,194,571	22,326,732	3,097,140	42,616,127
1959	11,096,366	8,392,236	22,816,803	3,861,971	46,167,376
1960	9,131,951	9,055,346	26,195,575	4,648,571	49,031,445

TABLE V

ARIZONA PROPERTY TAX RATES
STATE, COUNTY, CITY AND SCHOOL

ALL COUNTIES:	State Tax Rate	County Tax Rate	School Dist. Tax Rate	City & Fire Dist. Tax Rate	Total Prop. Tax Rate
1956	\$ 1.000	\$ 0.956	\$ 3.565	\$ 0.645	\$ 6.166
1957	1.350	1.228	4.335	0.719	7.632
1958	1.530	1.136	4.666	0.689	8.021
1959	1.700	1.084	4.094	0.835	7.713
1960	1.320	1.087	4.295	0.938	7.640

SIX MAJOR MINING COUNTIES:

1956	\$ 1.000	\$ 1.020	\$ 2.642	\$ 0.535	\$ 5.197
1957	1.350	1.480	3.482	0.669	6.981
1958	1.530	1.393	3.797	0.527	7.247
1959	1.700	1.286	3.495	0.592	7.073
1960	1.320	1.309	3.787	0.672	7.088

TABLE VI

ASSESSED VALUATIONS OF ALL ARIZONA PROPERTY, ALL MINING, FARMING & RANCHING PROPERTY

VALUE OF PRODUCTION OF MINES, FARMS AND RANCHES

	All Arizona Property	All Mining Property		All Farming Property		All Livestock and Grazing Lands		Value of Production	
		Valuation	% of Total Val.	Valuation	% of Total Val.	Valuation	% of Total Val.	Mining Products *	Farm & Live- stock Prod. *
1956	\$1,238,146,130	\$ 305,209,076	24.65	\$ 133,796,287	10.81	\$ 19,901,537	1.61	\$ 355,929,000	\$ 335,000,000
1957	1,254,144,352	245,920,940	19.61	140,426,402	11.20	14,748,693	1.18	450,600,000	380,000,000
1958	1,311,972,257	209,608,990	15.98	153,266,838	11.68	15,221,464	1.16	332,082,000	398,000,000
1959	1,456,025,696	242,198,715	16.63	162,074,874	11.13	18,375,826	1.26	273,398,000	421,000,000
1960	1,599,816,242	247,706,661	15.48	179,610,624	11.23	19,041,486	1.19	282,977,000	414,000,000

* Production of copper, lead, zinc, gold & silver for preceding year.

‡ Value of products of farms & livestock for preceding year.

TABLE VII

ARIZONA MINING PROPERTY AND PRODUCTION (Sales) TAXES COLLECTED

Total Mining Property and Production Tax Rates Compared with All Arizona Property Tax Rate.

	Mining Property Taxes Collected *		Mine Production (Sales) Taxes Collected *		Total Mining Property and Production Taxes Collected		All Arizona Property Tax Rate
	Amount	Per \$100 Valuation	Amount	Per \$100 Valuation	Amount	Per \$100 Valuation	
1956	\$ 15,861,716	\$ 5.197	\$ 4,026,667	\$ 1.319	\$ 19,888,383	\$ 6.516	\$ 6.166
1957	17,167,731	6.981	3,569,619	1.452	20,737,350	8.433	7.632
1958	15,190,363	7.247	2,620,785	1.250	17,811,148	8.497	8.021
1959	17,130,715	7.073	3,078,155	1.271	20,208,870	8.344	7.713
1960	17,557,448	7.088	2,601,485	1.050	20,158,933	8.138	7.640

* Using Tax Rate of Six Major Mining Counties.

* Fiscal Years.

VALUATION OF ALL ARIZONA MINING CLAIMS AND OTHER MINING PROPERTY

	Value of All Mining Claims (Productive and Non-Productive)	Value of Improvements, Smelters, Concentrators, Mining Machy. & Supplies
1956	\$ 259,414,714	\$ 45,794,362
1957	193,842,225	52,078,715
1958	157,087,172	52,521,818
1959	184,874,991	57,323,724
1960	180,398,337	67,308,324