



**“During my time as Governor, we have lowered costs by cutting government red tape and making historic investments in affordable housing programs. But, make no mistake, we must do more.”**

— Gov. Katie Hobbs, *State of the State Address*, January 13, 2025

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# Arizona

Pop. (2024): 7,582,384  
Median household income (2024): \$81,486  
Credit Rating: AA / Stable (ICR)

Pop. growth 2024–2029: 0.74%  
Median age (2024): 39.3  
Right-to-work state: Yes

## LEGISLATIVE & POLICY UPDATE

Arizona Senate Bill 1069, which went into effect on January 1, 2026, raises the business property tax exemption to \$500,000. The legislation will allow any business with personal property valued at this amount or less to not have a requirement for tax reporting or payment, saving time and money for small business owners who can reinvest those dollars elsewhere.

The state senate also passed SB 1543 in April 2025, allowing major companies that build corporate headquarters in Arizona to also build housing for their employees. The bill establishes a framework for international headquarters to build on-site workforce housing and support services. The legislation was prompted in part by weapons and technology developer Axon Enterprise Inc., headquartered in Scottsdale, which sought to build its global headquarters in the same city but started seeking sites outside of Arizona when met with zoning resistance and political red tape. The Scottsdale City Council approved a plan to allow for the headquarters buildout in November 2025.



**14<sup>th</sup>**

Business Tax Climate Rank Change 2025–2026: +1



**20<sup>th</sup>**

Higher Ed. R&D Expenditure in \$000s: \$1,738,688



**20<sup>th</sup>**

Number of NCRCs: 10,854 | Percent Improvement 2024–2025: 5.54%



**45<sup>th</sup>**

2025 Workers' Comp Index Rate: 0.7



**25<sup>th</sup>**

Industrial power cost (¢/kWh): 7.90



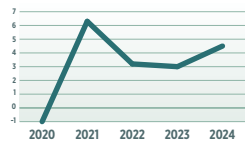
**16<sup>th</sup>**

Total Revenue as Share of Total Expenses, FY 2009–2023: 105.44%

GDP

**16**

GDP Growth Rate Trend



**2024 GDP**  
(in millions of current US\$)  
**\$446,968**

## PROJECT WATCH

Increased investment into Amkor's Arizona facility is supported by the Trump Administration's CHIPS for America program and the Advanced Manufacturing Investment Tax Credit.  
Rendering courtesy of Amkor



In October, Amkor Technologies announced the groundbreaking of its new semiconductor advanced packaging and test campus in Arizona, which also brought news of an increased project investment into the Peoria Innovation Core site.

The company plans to introduce additional cleanroom space and another greenfield packaging and test facility, increasing the original

investment by \$5 billion. The \$7 billion project will be constructed in two phases, with production at the first manufacturing facility slated to begin by early 2028.

“We’re building a facility to meet our customers’ most advanced needs that will help shape the future of semiconductor manufacturing in the United States,” said Amkor President and CEO Giel Rutten. “Arizona

offers the right mix of talent, infrastructure and industry presence, and we’re proud to deepen our roots here.” The site will offer 750,000 sq. ft. of cleanroom space and its greenfield facilities will support advanced packaging capabilities for customers including Apple and NVIDIA.

At full completion, Amkor will create up to 3,000 jobs in the region.