



## Logistics and Distribution

### Logistics

Located near the junction of California, Arizona, and Mexico, Yuma is a natural transportation hub with over 50 million consumers within a one day truck haul via Interstate 8 or US 95 both of which run directly through Yuma County. Some of the major advantages for business in Yuma:

- Low cost labor rates
- Quick Access to Key Markets
- Significantly lower utility rates than California or Nevada
- Foreign Trade Zone #219 offers duty and tariff reduction/eliminations along with property reduction of 80% for the life of the project.
- Two Ports of Entry allow for expedient movement of goods into the U.S.

### Distribution

- Twelve (12) daily flights to Phoenix and Los Angeles served by US Airways and United.
- 17 major trucking companies
- Excellent back-haul opportunities due to volume of trucks entering and leaving California, to/from Yuma.
- New FedEx air and ground distribution facility
- Yuma is an official CANAMEX Corridor entry point, providing safe and efficient multi modal transportation networks from Yuma (Highway 95) to Mexico and Canada.
- Yuma Area Service Highway (ASH), a 26-mile, limited access, 4-lane divided state highway facilitating travel and movement of goods between the San Luis Port of Entry II and Interstate 8 relieving congestion on US 95 through the cities of San Luis, Gadsden, Somerton, and Yuma.
- Union Pacific Railroad provides service on their Sunset Route
- Port of Long Beach is less than 250 miles and the Port of Guaymas is 174 miles from Yuma

### San Luis Commercial Port of Entry II

- 15 commercial processing lanes for inspection, enforcement and commercial loading and unloading
- SENTRI fast lanes and CTPAT
- Two Primary inspection booths one of which is dedicated to the Free and Secure Trade (FAST) program
- A bypass for oversize vehicles
- 25 commercial docks with five enclosed for climate control
- An export facility with six docks
- A Vehicle and Cargo Inspection System (VACIS) gamma ray and X ray inspection building

### Logistics and Distribution Education

Arizona Western College offers:

Associate of Applied Science degree in Logistics Supply Chain Management provides:

- An understanding of the fundamental principles of logistics and business
- A working knowledge of inventory control, transportation and warehouse management

Logistics Basic and Advanced Certificate for student seeking a vocational degree provides:

- A variety of logistics along with complementary business and general education courses



### Distribution and Logistics Occupations

Occupation	Hourly Rate
Accounting Clerk	\$13.91
Forklift Operator	\$13.84
General Clerk	\$12.26
Heavy Truck Driver	\$15.43
Office Manager	\$19.81
Production Supervisor	\$22.61
Shipping Clerk	\$13.34
Warehouse Worker	\$9.82

Source: MetroComp 2011



## Logistics and Distribution

### LOCAL INCENTIVES

#### *New Market Tax Credits*

Below market interest loans guaranteed by federal government for the purpose of stimulating development in rural communities. Companies utilizing New Market Tax Credits pay on the interest only of the loan for seven years. After the 7th year, the loan is forgiven and the company is awarded the principal and equity of the loan.

#### *Yuma Private Industry Council*

YPIC offers programs that cover the entire costs of employee training, including teaching, materials, equipment and other expenses. Companies can additionally qualify for reimbursement of 50% employee salaries paid during training for up to 6 months.

### STATE INCENTIVES

#### *Arizona's \$25 Million Deal Closing Fund*

Arizona has taken a progressive position by offering attraction funds to companies meeting performance measures that benefit both the company and the citizens of Arizona. Utilization of this resource will generate investment in business projects that stimulate and promote industries providing high-wage and stable jobs. In order to assure a return on investment to the state, performance safeguards are a requirement of these funds.

#### *Income Tax Credits Up to \$9,000 for Each Qualifying New Job*

The Quality Jobs Tax Credit replaces Arizona's expiring Enterprise Zone Program. It provides per-employee tax credits of \$3,000 per year for up to three years. Credits may be carried forward for five years. Eligibility qualifications are different from rural and metro areas and focus on capital investment and net new job creation (5 new jobs – rural/25 new jobs metro).

#### *30% Reduction in Arizona's Corporate Income Tax Rate*

Corporate income tax rates in Arizona will be decreasing from 6.97% down to 4.9% from 2014 to 2017. This new 30% lower rate makes Arizona's rate one of the five lowest in the country.

## Site Location Assistance

For more information about locating your business in Yuma, Arizona  
 Please contact:

#### *Greater Yuma Economic Development Corporation*

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### STATE INCENTIVES *continued*

#### *\$1.5 Million in Reimbursable Grants to Train Employees*

Arizona provides reimbursable grants to employers that implement job-specific training plans for new jobs or for training plans that increase the skill level of current employees. Award amounts range from \$2,000 to \$8,000 per position depending upon company size and location.

#### *100% Electable Sales Factor for Multi-State Corporations*

New legislation increases the electable sales factor for multi-state corporations from 80 % to 100% between FY2014 and FY2017. This provides businesses with the opportunity to reduce their tax burden.

#### *15% Increase in Personal Property Exemptions*

Effective with the 2011 tax year, Arizona's personal property exemption is increasing from \$67,000 up to \$79,000 by using the Employment Cost Index (ECI) rather than the Gross Domestic Product Implicit Price Deflator (GDIPIPD).

#### *Lower Commercial Property Assessment Ration—just 18%*

The Arizona commercial property assessment ratio is being reduced by 10% down to 18% by 2017. This continues a 10-year trend of reducing property taxes in Arizona.

#### *Accelerated Depreciation Schedules*

Five-year accelerated depreciation schedules have been increased to help companies recover their investments even faster.

#### *Research and Development Tax Credit*

The Arizona Competitiveness Package provides increased tax credits on qualified R&D expenditures — credits will now range from 25% to 34%. R&D expenditures must be made in cooperation with an Arizona university. Tax credits are based upon R&D increases over prior years.

#### *With Tax Credits and Tax Improvements for a Small Business*

Arizona's Angel Tax Credits are now available to a much larger group of companies. Improvements to this credit include elimination of capital gains tax for investments made in qualified small businesses.

#### *Tax Reductions by Investing in Renewable Energy*

Companies engaged in solar, wind, geothermal and other renewable energy industries may obtain up to a 10% refundable income tax and up to a 75% reduction on real and personal property taxes.

### FEDERAL INCENTIVES

#### *Foreign Trade Zone*

Arizona offers up to an 80% reduction in state real and personal property taxes by operating in a Federally qualified Foreign Trade Zone. The reduction is good for the entire time that a company operates in the FTZ.