

Lease Excise Tax

The Government Property Lease Excise Tax Program has been established by the State of Arizona and is available to businesses that lease parcels from the City rather than own them outright. All real property tax has been waived and replaced with an excise tax that is an established rate per square foot and based upon the type of use. The rate is reduced every ten years by 20% until it reaches the 51st year, when the tax drops to zero. In the Downtown Commerce Park, the State has abated the excise tax for the first eight years after the certificate of occupancy.