

Your Growth is on the Horizon

ADVANCING
THE SUCCESS
BETWEEN ARIZONA
AND TAIWAN

ARIZONA
COMMERCE AUTHORITY





There's no place like here

Arizona, the Grand Canyon State, is home to breathtaking views, cutting-edge industry leaders and an environment that enables rapid innovation. We believe that the state's steady and predictable business climate provides a foundation that allows next-gen transformations to flourish. With a pipeline of top talent, proximity to major world markets and a diverse community that values collaboration—anything is possible in Arizona. **As you look for the next place to innovate and grow, do it in a state that believes in you.**

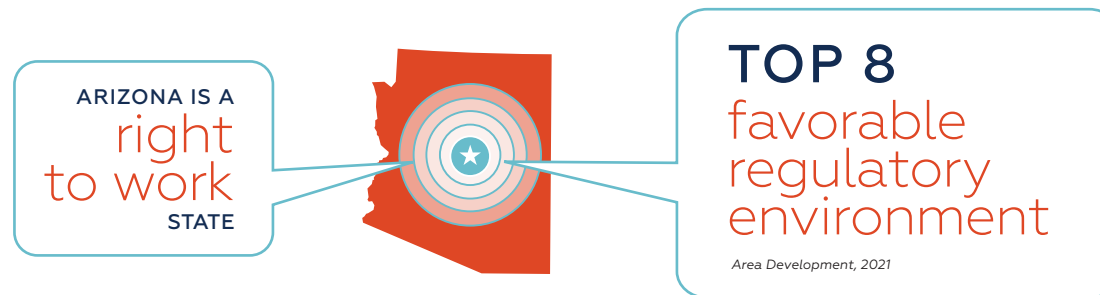
The Best State For Business

The state's simplified and competitive tax structures make Arizona one of the most welcoming states in the nation for both people and business. Without needless barriers, companies have license to grow, contributing to a healthy economy, modern services and vibrant, thriving communities. Ongoing positive rankings point to a strong economy and represents strategic, forward-looking policy decisions advanced by elected leaders across the state.

2.5%
FLAT INCOME TAX
Lowest flat-tax
in the U.S.

4.9%
CORPORATE INCOME TAX RATE
Among lowest in the U.S.

ARIZONA'S ADDITIONAL
DEPRECIATION PROGRAM
**LOWERS BUSINESS
PERSONAL PROPERTY TAX
BY 90% OR MORE**



"I am committed to partnering with the business community to build on the thriving, dynamic foundation we have in this state where businesses and the people who run them succeed together."

- Governor Katie Hobbs

NO

- ✗ Franchise Tax
- ✗ Business Inventory Tax
- ✗ Estate Tax
- ✗ Worldwide Unitary Tax
- ✗ Gross Receipts Tax



#1

RICHSTATES,
POORSTATES

Economic
Performance
2010-2020

2022 Ranking



Chief Executive
magazine

Best State
for Business
2022

Moved up six spots from 2021

TOP
4

Home to Global Giants

Arizona's dynamic business ecosystem is buzzing with cutting-edge innovators across diversified industries. The state has long boasted top-ranked strengths within aerospace and defense, bioscience and health care, and business and financial services. Arizona has received global recognition as the premier North American hub for high-tech manufacturing sectors which includes electric vehicle, advanced mobility, battery storage and semiconductor operations.

#1

**FASTEST
YEAR-OVER-YEAR
MANUFACTURING
JOB GROWTH**

Common Sense Institute, 2022

Aerospace & Defense



Automated & Electric Vehicles



Battery and Clean & Renewable Energy



TOP
2

**FASTEST GROWING
BIOSCIENCE
MANUFACTURING
EMPLOYMENT**

Lightcast, 2023

TOP
3

**FASTEST GROWING
OPTICS AND
PHOTONICS
MANUFACTURING
EMPLOYMENT**

Lightcast, 2023

TOP
4

**SEMICONDUCTOR
EXPORTS, WITH
\$4.4 BILLION
IN EXPORTS**

WISERTrade, 2022

TOP
5

**LARGEST A&D
MANUFACTURING
EMPLOYMENT
IN THE U.S**

Lightcast, 2023

Bioscience & Healthcare



Business & Financial Services



Semiconductor



Technology & Innovation



AND MANY MORE

Nano Tech. Mega Investment.

Leading manufacturers and global suppliers are building some of the world's most advanced fabs in Arizona. As the brains of modern electronics, semiconductors promise to factor large in the future of everything from economic competition and technological innovation to national security and more. As recent investments confirm, that future is firmly rooted in Arizona.



\$20B
INVESTMENT

“

We are planting a seed in the Arizona desert. And at Apple, we are proud to contribute to its growth.

- Tim Cook, CEO of Apple



\$40B
INVESTMENT

Arizona becomes
US Semiconductor
Central

Forbes

Taiwanese chips made
in Arizona is the
future of US Trade

Bloomberg

How Arizona became
a hotbed for electric
vehicles, microchips and
self-driving tech

 **CNBC**

#1

IN THE NATION FOR
SEMICONDUCTOR INVESTMENTS
\$60+ BILLION INVESTED SINCE 2020

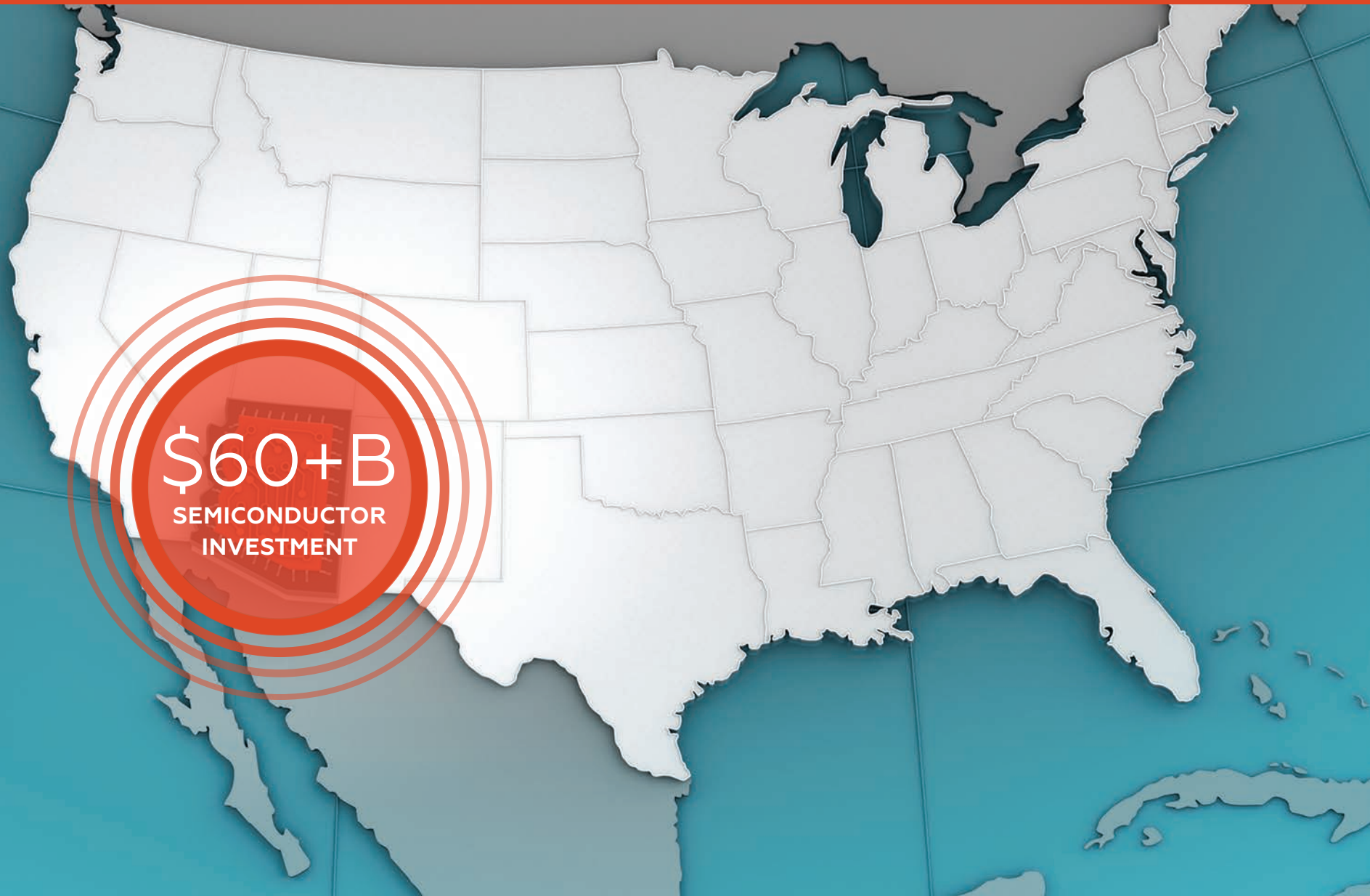
Semiconductor Industry Association, 2022



#1

IN THE NATION FOR SEMICONDUCTOR
SUPPLIER ANNOUNCEMENTS
12+ SUPPLIERS REPRESENTING
\$1.686 BILLION INVESTED

Semiconductor Industry Association, 2022



The State Everyone Wants to Call Home

Arizona's talent is young, skilled and rapidly growing. The state has led the nation in population growth, adding an average of 258 people a day last year.

#1

FASTEST GROWING COUNTY IN U.S.
MARICOPA COUNTY

U.S. Census Bureau, 2021



#1

NET MIGRATION
PHOENIX METRO AREA

U.S. Census Bureau, 2021

#1

ATTRACTING & RETAINING TALENT
MARICOPA COUNTY, 2017-2021

Lightcast Talent Attraction Scorecard, 2022

TOP 3

STATE FOR JOB GROWTH
2017-2021

Lightcast Talent Attraction Scorecard, 2022

TOP 4

EDUCATIONAL ATTAINMENT GROWTH
2017-2021

Lightcast Talent Attraction Scorecard, 2022

TOP 4

STATE FOR INFLUX OF TALENT

Career Cloud, 2022

TOP 5

FOR SKILLED JOBS GROWTH
2017-2021

Lightcast Talent Attraction Scorecard, 2022

TOP 5

BEST STATE TO HIRE WORKERS

Career Cloud, 2022



Talent Ready to Tackle the Future

Arizona is home to world-renowned universities and one of the largest community college systems in the country. The state's innovative workforce programs have garnered national attention for its unique public-private collaboration and contribute to Arizona's top talent rankings.

122

TOTAL UNIVERSITIES
& COLLEGES

490,000+

POST-SECONDARY
STUDENTS ENROLLED

222

SCHOOLS OFFERING CAREER
& TECHNICAL EDUCATION

Arizona State
University

ENROLLED OVER

30,000

engineering students
in Fall 2022

160% increase in 10 years

University
of Arizona

RECEIVED

\$26 M

from the National Science Foundation to
lead the Center for Quantum Networks

Northern Arizona
University

RANKS IN THE

TOP 15%

for engineering programs in the U.S.



AND MANY MORE

INNOVATIVE PATHWAYS TO PROSPERITY



Drive48 was launched in partnership with the Arizona Commerce Authority, Central Arizona College, the City of Casa Grande, Pinal County and the region's leading manufacturers.

The state-of-the-art facility prepares workers for high-paying advanced automotive and manufacturing jobs and supplies private industry talent equipped with tech-forward skills.

Since the facility's opening, more than 2,000 Lucid employees have completed the program. The Drive48 model achieved so much success, the state allocated \$30 million to build six more advanced manufacturing training centers across the Arizona.



"The easiest way to change someone's life is to offer them the opportunity for a new or better job."

– Governor Hobbs



Strategic Location & Modern Infrastructure

Arizona is strategically located in the southwest region of the United States, proximate to several of the world's largest economies—facilitating easy movement of goods for enhanced speed of doing business. The state's position adjacent to California offers the benefit of being able to access the market without having to operate in its high cost, high tax environment. Arizona's lack of natural and weather-related disasters—such as earthquakes, hurricanes, blizzards and tornadoes—makes Arizona an ideal location for companies that require market, power and employee access to be available consistently throughout the year.

ACCESS TO
86+ million
consumers in a
one-day
trucking radius

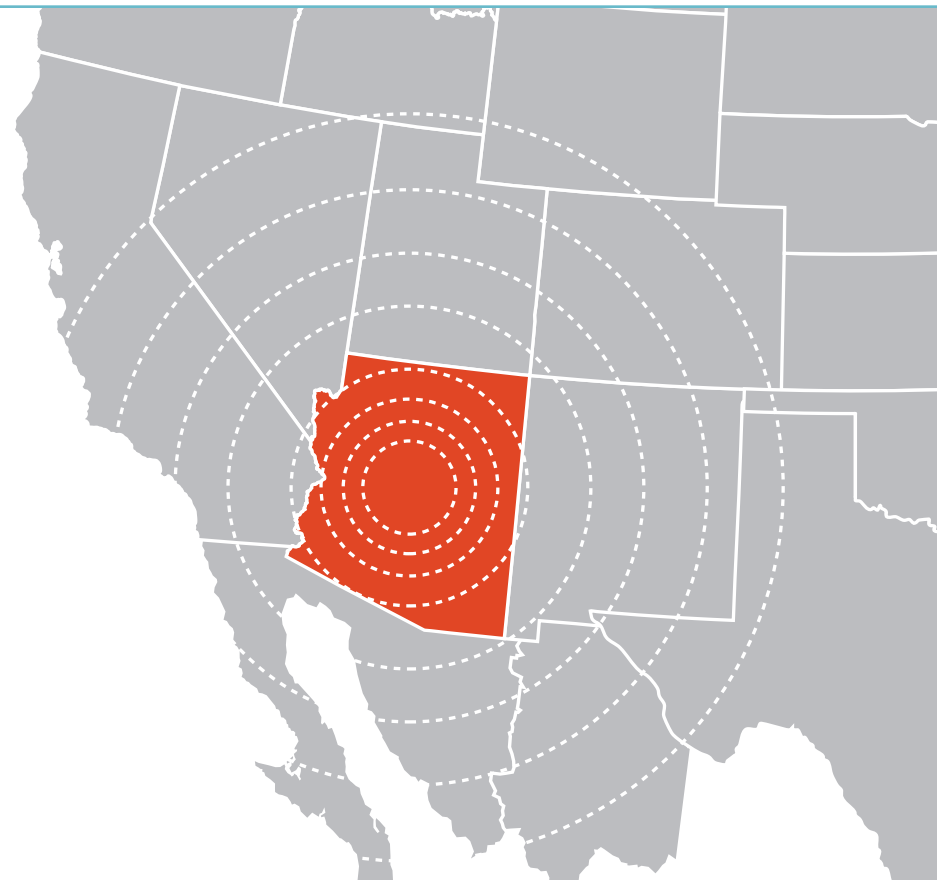
Adjacent to 2 of world's largest economies:

CALIFORNIA (#5) | MEXICO (#15)

6 ports of entry
with Mexico

.....

4 international
airports



Arizona is a responsible steward of state assets and has made smart investments to enhance both business- and resident-friendly infrastructure. With some of the nation's most efficient airports, modern roadways carefully designed using a grid system, significant broadband investments and decades of smart water policy, businesses can count on maintaining continuity of operations.

#1

STATE FOR POWER GRID RELIABILITY

U.S. Energy Information Administration

\$1.2
BILLION

INVESTED IN SECURING ARIZONA'S WATER FUTURE

TOP
5

BEST BIG U.S. AIRPORT: PHOENIX SKY HARBOR

Wall Street Journal



Increasing Global Connections

The Arizona Commerce Authority facilitates strong, mutually beneficial relationships between Arizona and nations worldwide that are valuable sources of international trade activity and foreign direct investment projects. Our team of international experts and state trade offices are strategically focused on increasing cross-border collaboration and commercial ties.

ARIZONA LED FDI IN 2022

35

INTERNATIONAL
PROJECTS

\$32 BILLION

IN FOREIGN DIRECT
INVESTMENT

FDI Markets, 2022

ARIZONA EXPORTS AN ALL-TIME HIGH

\$27 BILLION

IN 2022

13%

INCREASE
FROM 2021

WISERTrade, 2022



ARIZONA TRADE & INVESTMENT OFFICES

TAIPEI

TAIWAN

SEOUL

REPUBLIC OF KOREA

GUANAJUATO

MEXICO

EUROPE

FRANKFURT, GERMANY

CHIHUAHUA

MEXICO

MEXICO CITY

MEXICO

TEL AVIV

ISRAEL

Companies Doing Business in Arizona & Taiwan



Taiwan

4,500
jobs

\$40 billion
capex

"This is a milestone for TSMC, for the state of Arizona, and for the semiconductor industry in the U.S. We are well on our way to building the most advanced semiconductor technology in the United States right here in the great state of Arizona. This fab is historic. We will produce the most advanced semiconductor chip at 4 nanometers when it goes into production in 2024. It will power the innovations that will improve every aspect of your life."

- Dr. Mark Liu, TSMC Chairman





AVNET



isola



JHS



LCY

MEC



onsemi



BINATIONAL PARTNERS



TAIWAN
REPUBLIC OF CHINA

TAIPEI ECONOMIC
AND CULTURAL OFFICE



A Growing Trade Partnership

Arizona and Taiwan are economically connected and are top trading partners, with 2022 exports and imports totaling \$3.28 billion. This growing relationship represents a shared focus on strengthening cross-border economic and commercial ties.

2022 EXPORTS TO TAIWAN

Arizona companies exported **\$765 million** worth of goods to Taiwan in 2022.

This makes Taiwan Arizona's **top-9 largest export market**.

The **top 3** exported goods account for **62% of all goods** exported to Taiwan.

SEMICONDUCTOR & OTHER ELECTRONIC COMPONENTS

\$304 MILLION

#7

AMONG ALL U.S. STATES
EXPORTING TO TAIWAN

AEROSPACE PRODUCTS & PARTS

\$117 MILLION

#3

AMONG ALL U.S. STATES
EXPORTING TO TAIWAN

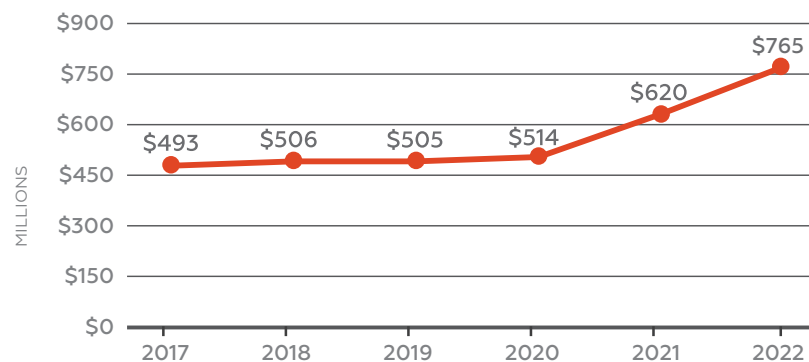
BASIC CHEMICALS

\$50 MILLION

#7

AMONG ALL U.S. STATES
EXPORTING TO TAIWAN

ARIZONA EXPORTS TO TAIWAN, 2017-2022



Source: WISERTrade.



2022 IMPORTS FROM TAIWAN

Arizona imported **\$2.5 billion** worth of goods from Taiwan in 2022.
In terms of dollar value, Taiwan was Arizona's **top-4 largest import source**.

The **top 3** imported goods account for **62% of all goods** imported from Taiwan.

SEMICONDUCTOR & OTHER
ELECTRONIC COMPONENTS

\$1.2 BILLION

#4

AMONG ALL U.S. STATES
IMPORTING FROM TAIWAN

COMPUTER EQUIPMENT

\$239 MILLION

#11

AMONG ALL U.S. STATES
IMPORTING FROM TAIWAN

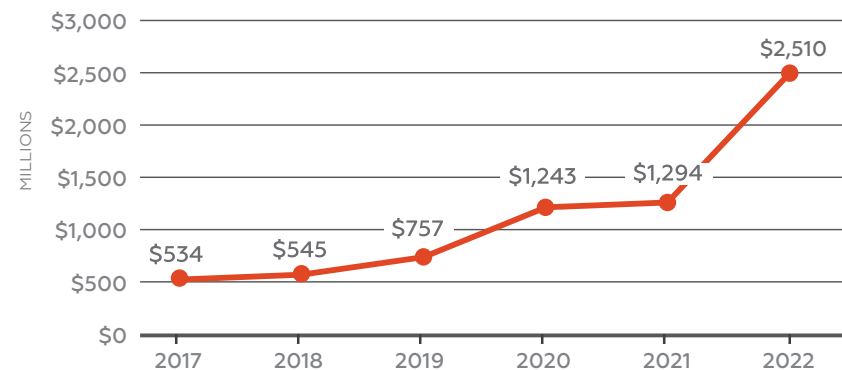
AUDIO & VIDEO EQUIPMENT

\$107 MILLION

#3

AMONG ALL U.S. STATES
IMPORTING FROM TAIWAN

ARIZONA IMPORTS FROM TAIWAN, 2017-2022



Source: WISERTrade.

Pro-Innovation Policy

Arizona has established a reputation as the premier location to test, launch and scale new ideas and business models. Under the leadership of Arizona's legislature and local elected officials, the state has implemented first-in-the-nation, forward-thinking policies to support emerging technologies, sending a signal to businesses that corporate innovation is welcome in our state. Entrepreneurship and small businesses also play a critical role in the vibrancy and health of any business community—and in Arizona, we recognize that today's startups are tomorrow's global industry leaders. By creating an innovation-driven economy that embraces emerging technology, Arizona plays a leading role in changing the world for the better.

RIDESHARING

• FIRST IN THE NATION •

In 2015, legislation was passed embracing ridesharing services and operations in Arizona. Rather than oppose this 21st-century solution to getting people where they need to go, the state welcomed it and removed barriers to its open operations.

HOME SHARING

• FIRST IN THE NATION •

In 2016, the state's sharing economy was furthered by first-of-its-kind legislation enabling all Arizonans to participate in the sharing economy and streamlining the process for home sharing platforms to collect taxes and remit them to the Arizona Department of Revenue.

AUTOMATED VEHICLES

• FIRST IN THE NATION •

Arizona was the first state in the nation to support testing and operation of self-driving vehicles. The state's pro-innovation environment has paved the way for significant investments in automated mobility from numerous companies including Waymo, Lyft, Ford, GM, Intel and more. In 2018, the state established the Institute of Automated Mobility (IAM), a new consortium of global industry leaders, the brightest minds in academia, and government leaders committed to embracing innovation. These partners collaborate on state-of-the-art research and testing in Arizona, and are focused on advancing automated vehicle safety, science and policy.

5G TECHNOLOGY

• FIRST IN THE NATION •

In mid-2017, Arizona became the first state in the nation to streamline the deployment of technology enabling next-gen 5G wireless communication, which is needed to support and scale the state's vital digital networks and attract new and exciting tech companies. Following this deployment, in 2019, Verizon chose Phoenix as one of the first U.S. markets to receive the company's 5G Ultra Wideband network. The network enables faster mobile speeds and paves the way for technology advances in automated vehicles and telemedicine.

FINTECH SANDBOX

• FIRST IN THE NATION •

In 2018, Arizona was the first in the nation to launch a FinTech Sandbox. The innovative platform allows startups and entrepreneurs to launch cutting-edge products on a limited, temporary scale to consumers without burdensome regulations and costs. With one of the largest business and financial services concentrations in the country, Arizona is the perfect place for this type of innovation.

PROPTech SANDBOX

• FIRST IN THE NATION •

In 2019, the nation's first PropTech sandbox was signed into law in Arizona, giving visionary thinkers a platform to test unique, tech-based property services and products. Upon application approval, participants are granted limited access to test in the Arizona market without first obtaining full state licensure or other authorization that would otherwise be required.

UNIVERSAL RECOGNITION OF OCCUPATIONAL LICENSES

• FIRST IN THE NATION •

In 2020, Arizona was the first state in the nation to establish recognition of out-of-state occupational licenses, making it easier for new Arizonans to get to work. The move allows professionals working in the 30 percent of jobs that require state-issued licenses to get to work immediately upon arriving in Arizona without having to spend money and time getting re-licensed. This reform has served as a national model for lowering workforce barriers to employment.

TECH ADOPTION

• FIRST IN THE NATION •

In March 2022, Arizona became the first state to offer digital copies of driver's licenses and state identification cards as part of a sweeping partnership with Apple. Phoenix Sky Harbor International Airport now utilizes the digital ID at security checkpoints without first obtaining full state licensure or other authorization that would otherwise be required.

\$1.9B

RAISED BY ARIZONA STARTUPS IN 2021

An All-Time Record

TOP 9

TECH TALENT PIPELINE

Business Facilities Magazine State Ranking Report, 2022

TOP 6

MILLENNIAL MAGNET

Tucson, Arizona

Business Facilities Magazine State Ranking Report, 2021

Tucson has one of the highest concentrations of startups of any U.S. city its size.

TOP 6

**FASTEST-GROWING
PROJECTED TECH JOB GROWTH**

Over the Next 10 Years

CompTIA, 2023

Unmatched Quality of Life

Arizona offers exploration at every turn, and is the best place in the nation to live, work and recreate. The adventures are abundant and the lifestyle is affordable compared to the nation's largest metro areas. The state's natural beauty is internationally recognized. In fact, it is home to one of the seven natural wonders of the world—the Grand Canyon. Beyond the grandeur of Arizona's national parks and forests, there are the benefits of a buzzing metro. Professional sports teams, museums, restaurants and concert arenas enrich the state's desirability. With options for resort-style living, endless adventures and high-impact careers, Arizona attracts the best and brightest. This perfect balance is what makes life better here.

7

PROFESSIONAL
SPORTS TEAMS

24

NATIONAL PARKS,
MONUMENTS AND
PRESERVES

300+

SUNNY DAYS

400+

GOLF COURSES



Your Arizona Partner

The Arizona Commerce Authority's team of experts provides a comprehensive suite of services. We'll make it easy to access resources and strategic partners around the state, ensuring you have all the information you need to make well-informed decisions about your expansion.





For further information:

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