

Arizona Wage and Tax Facts 2026

MINIMUM WAGE

Minimum Wage:	\$	15.15
Minimum Cash Wage:	\$	12.15
(Tipped Employee)		
Maximum Tip Credit:	\$	3.00
Effective: 1/1/26		

STATE INCOME TAX

Wage Withholding:	% of gross
Supplemental Wage/Bonus Rate:	No Provision

UNEMPLOYMENT INSURANCE

Maximum Taxable Earnings:	\$	8,000
Employee Deduction:		None
Employer Tax Rates:		0.03 - 8.36%
Standard New Employer Rate:		2.00%
Voluntary Contribution Permitted:		Yes

DISABILITY INSURANCE

Employee Deduction:	None
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LOCAL INCOME TAXES

None

RECIPROCITY RULES

None

WORKERS' COMPENSATION

Please contact your insurance provider for details

STAFFING SERVICES SUBJECT TO SALES TAX

Currently no legislation

AGENCY WEBSITES

Dept of Revenue: www.azdor.gov
Dept of Economic Security: <https://des.az.gov>
New Hire Reporting: <https://az-newhire.com/>