

# Tax-Exempt Municipal Bonds Sustain Arizona's Water Infrastructure

**\$713.9 million** – The value of tax-exempt municipal bonds communities across Arizona issued in 2016 to fund improvements to drinking water and wastewater infrastructure.

**\$303.2 million** – Additional debt service costs cities and towns in Arizona would incur over their payback periods if interest earned on these bonds was fully taxable, **a 25 percent increase.\***

**\$24 million** – Clean Water and Drinking Water State Revolving Fund assistance the federal government provided to Arizona in 2016. Fully taxing municipal bond interest would cost the state **more than 12 times** the value of this year's SRF assistance.

**Affordable investment in Arizona's water infrastructure should not be a consequence of tax reform.**

**AMWA and NACWA urge you to preserve tax-exempt municipal bonds.**



ASSOCIATION OF  
METROPOLITAN  
WATER AGENCIES

NACWA  
A Clear Commitment to America's Waters

\*Based on Bloomberg data assuming uniform \$50 million projects with 30-year loan maturities and "AA" credit ratings.