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THE IMPACT OF FINANCIAL FRAUD IN ARIZONA

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ABOUT THE AUTHORS



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Zachary is originally from upstate New York, and is an enthusiastic NY Jets fan. He also served over eight years in the United States Air Force, and currently serves in the Arizona Air National Guard at the 161st Air Refueling Wing in Phoenix Arizona. He is a proud husband and father to four beautiful children.

ABOUT COMMON SENSE INSTITUTE

Common Sense Institute is a non-partisan research organization dedicated to the protection and promotion of Arizona's economy. CSI is at the forefront of important discussions concerning the future of free enterprise and aims to have an impact on the issues that matter most to Arizonans. CSI's mission is to examine the fiscal impacts of policies, initiatives, and proposed laws so that Arizonans are educated and informed on issues impacting their lives. CSI employs rigorous research techniques and dynamic modeling to evaluate the potential impact of these measures on the Arizona economy and individual opportunity.

TEAMS & FELLOWS STATEMENT

CSI is committed to independent, in-depth research that examines the impacts of policies, initiatives, and proposed laws so that Arizonans are educated and informed on issues impacting their lives. CSI's commitment to institutional independence is rooted in the individual independence of our researchers, economists, and fellows. At the core of CSI's mission is a belief in the power of the free enterprise system. Our work explores ideas that protect and promote jobs and the economy, and the CSI team and fellows take part in this pursuit with academic freedom. Our team's work is informed by data-driven research and evidence. The views and opinions of fellows do not reflect the institutional views of CSI. CSI operates independently of any political party and does not take positions.

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INTRODUCTION

Financial fraud is on the rise. Across all 50 states and D.C., the Federal Bureau of Investigation's (FBI) Internet Crime report tracked 859,532 fraud claims in 2024. These claims resulted in \$16.6 billion in financial loss, up 33% from 2023. A separate source, the Federal Trade Commission's (FTC) Consumer Sentinel Network, reported 2.6 million fraud cases in 2024. 38% involved losing money, and citizens reported losing \$12 billion to fraud - up \$2 billion since 2023. **This study seeks to answer the pressing question: What is the extent of financial fraud in Arizona; its impact on the lives of everyday Arizonans; and the economic implications of this crime?**

Based on FBI cyber-enabled crime statistics, among states Arizona ranks 41st for total losses from cyber-enabled crime (9th highest in the U.S.); 45th for cyber-enabled crime per 100,000 citizens; 46th for complaints filed by individuals 60+; and 38th best for cryptocurrency losses by state.¹ According to the FTC Consumer Sentinel Network, Arizona has the 15th highest rate of identity theft in the country.²

According to the Arizona Department of Public Safety, 57,584 cases of fraud were reported from 2022 through 2024³, with the FTC reporting \$337 million in losses statewide in 2024 alone - up 384% since 2020.⁴ The FBI reported \$392 million in losses from cyber-enabled crime in Arizona, up 444% since 2020.⁵ While these figures are significant, they only account for fraud crimes reported to authorities. As CSI Arizona has [reported](#) previously, many crimes go un- or under-reported, and rates from misreporting are growing. Given our prior results, the losses due to unreported fraud are likely much higher.

In Arizona and across the nation, fraudulent financial activity is becoming increasingly sophisticated, encompassing a broad array of schemes such as identity theft, phishing, wire fraud, investment scams, and elder financial abuse. And as the digital economy expands the risks from these kinds of crimes grows as well. Fraudulent activities result not only in direct financial losses for individuals, businesses, and financial institutions, but they also have ripple effects throughout the state's economy, affecting prices, consumer behavior, public safety expenditures, and overall economic productivity.

Key Findings

- The total losses from financial fraud in 2024 reached \$521 million according to reporting by the Federal Trade Commission (FTC) and the Federal Bureau of Investigation (FBI). **This total loss for the year comes out to \$69 per Arizona resident and \$182 per household – equivalent to a 4.0%-8.0% increase in average income tax liability for Arizona residents.** This figure only considers fraud reported to authorities.
- Arizona's incidence of financial fraud is higher compared to other states, with Arizona ranking the 11th highest at 1,459 reported incidents per 100,000 residents. According to FTC reporting alone, **fraud losses in Arizona accounted for 2.9% of all losses in the nation, despite Arizona only accounting for roughly 1.9% of the nation's GDP.**
- Based on national and state trends, **CSI estimates the losses from financial fraud in Arizona will reach upwards of \$4.0 billion in 2025.** This includes \$558 million in reported losses and another \$3.4 billion in unreported fraud losses. Assuming the losses would have otherwise been spent in the Arizona economy, this implies the State's General Fund directly lost \$220 million in Transaction Privilege Tax (TPT) revenues.
- Using dynamic economic modeling, CSI estimates that the \$4.0 billion in direct losses (reported and unreported) from financial fraud in 2025 compound to lower the state's GDP by \$5.2 billion and cost the economy over 45,000 jobs. Put another way, without the losses from financial fraud it's estimated that the Arizona economy would be nearly 1% larger than it is today, residents would enjoy 45,000 more jobs, and consumers overall would face 0.12% lower prices than they do today.

BACKGROUND

Financial fraud comes in many shapes and sizes, but transactions have two main forms: verified (customer initiated and/or approved) and unverified (not initiated and/or confirmed by customer). Verified fraud typically involves deception or coercion that leads the customer to authorize the transaction, such as in scams or social engineering. Unverified fraud, on the other hand, involves unauthorized access, like stolen card or account credentials used without the customer's knowledge or consent. Specifically, financial fraud includes but is not limited to the following types:

Grandparent Scam: Thieves create a story that compels grandparents to send money to help a grandchild out of a bad situation, often being told “please don’t tell mom.”

Romance Scams: Fraudsters build fake romantic relationships to emotionally manipulate victims into sending money or personal information.

Wire Transfer Fraud: Scammers trick victims into sending money via wire transfer, often by posing as a trusted contact or through scams like romance frauds.

Investment Fraud: Scammers lure victims with fake or misleading investment opportunities (e.g., crypto scams, Ponzi schemes, pump-and-dump stock schemes, real estate fraud, fake private placements, high-yield investment programs, etc.) promising high returns, then steal the money.

Gift Card Scams: Victims are tricked into buying and sending gift card details to scammers, who often pretend to be authority figures or loved ones.

Fake Prize Scams: Victims are told they’ve won a prize but must pay a fee or provide personal information to claim it — which the scammer uses for fraud.

Imposter Scams: Scammers impersonate government, business, and other officials or agencies (e.g., Internal Revenue Service or the Social Security Administration) to threaten or persuade victims into sending money or sensitive info.

Elder Financial Fraud: Targeted scams against older adults, often involving deception, coercion, or exploitation to steal money or assets.

Fake Distress: Fraudsters pretend to be a relative or friend in urgent need of money due to a false emergency.

Check Fraud: The use of fake, altered, or stolen checks to unlawfully spend from another person’s financial resources.

Identity Fraud: This type of fraud occurs when someone uses another person’s personal identifying information (like name, Social Security number, or bank account information) to commit financial crimes.

Credit Card Fraud: Unauthorized use of someone's credit card information to make purchases or withdraw funds. Credit card fraud can also include individuals who fraudulently report a transaction as fraud when they in fact did use their own card to make a transaction.

Debit Card Fraud: Illicit use of a person's debit card or account number to withdraw money or make transactions without permission.

Loan Fraud: Fraudulently obtaining a loan through misrepresentation of personal, business, or financial information, dedicating loan proceeds in a fraudulent manner, or using stolen identities to secure loans.

Account Takeover Fraud: A type of identity fraud where a criminal gains unauthorized access to and control of a person's financial account to steal money or personal data.

Phishing and Social Engineering Fraud: When criminals impersonate legitimate entities via emails, phone calls, or fake websites to trick unsuspecting individuals into revealing sensitive account credentials or personal data.

Installation of Malware: Malicious software is secretly installed on a device to steal financial data, spy on activities, or gain control over financial accounts.

Ecommerce Fraud: Criminals use stolen payment information to make purchases online or set up fake online stores to steal customer payments and data.

Social Media Fraud: Scams conducted through social platforms, such as selling stolen or nonexistent goods on social media marketplaces, fake giveaways, impersonation accounts, or phishing links, to steal money or information.

Payment App Fraud: Scams involving digital payment apps (e.g., Zelle, Venmo, Cash App) where fraudsters trick users into sending money or gaining access to their financial accounts.

ATM Fraud: Illegitimate access to a person's bank account via an ATM, often through stolen cards, cloned cards, or PIN theft. This can also include "jackpotting," which often involves introducing malware into an ATM which causes it to dispense funds inappropriately to the scammer.

Skimming: The use of a hidden device (skimmer) placed on ATMs or card readers to steal card information during a legitimate transaction.

Card Trapping: A device is inserted into an ATM to capture a card's information; criminals then clone the card's information for use later.

Money Laundering: The process of disguising illegally obtained funds to make them appear legitimate, often through complex financial transactions.

Forgery: The false making or altering of a document (e.g., signatures, checks) with intent to defraud.

Counterfeit: The production or use of fake financial instruments like currency, checks, or cards to deceive and steal money.

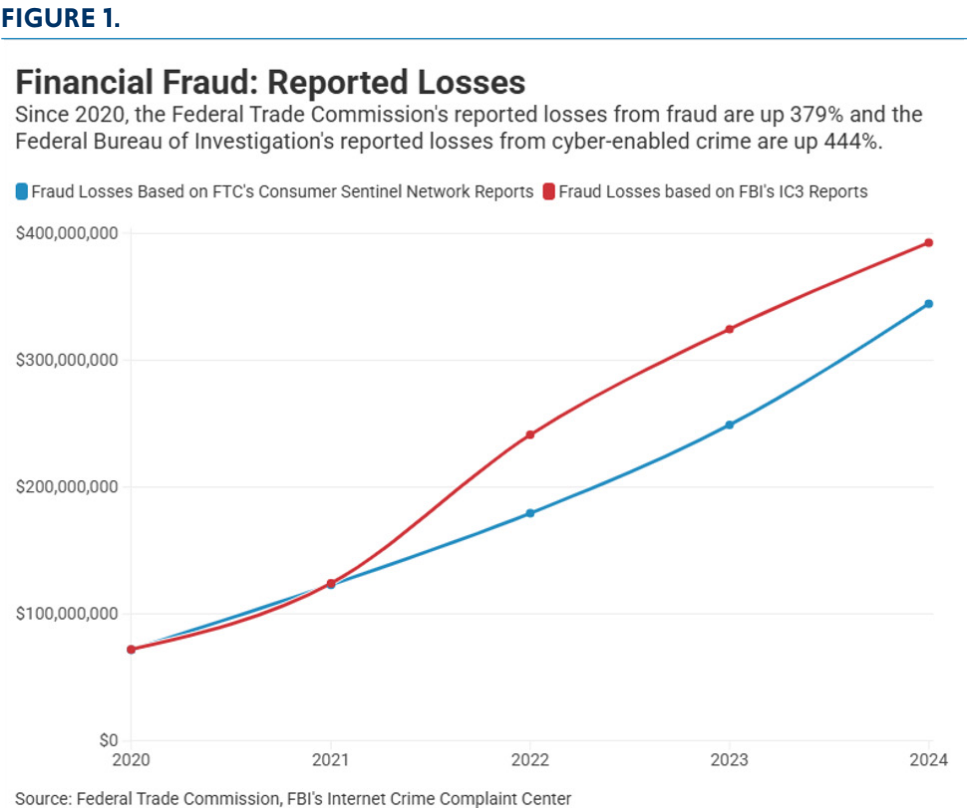
Check Kiting: Exploiting the float time between banks by writing checks from one account with insufficient funds to another, to create the illusion of funds.

Alteration: Illegally changing the details on a legitimate financial document, such as a check or invoice, to increase payment or redirect funds.

Arizona Sees Thousands of Cases of Financial Fraud Annually

This report focuses on the broader economic impact of all types of financial fraud, including the types of fraud listed in the “Background” section. Figure 1 shows the reported losses due to fraud from 2020 through 2024 based on information provided by the Federal Trade Commission (FTC) and the Federal Bureau of Investigation (FBI).

Based on this data, financial fraud in Arizona increased every year from 2020 to 2024. Direct losses tracked in the FTC’s Consumer Sentinel Network reports record losses increasing from \$71.9 million in 2020 to \$344.3 million in 2024 – a staggering 379% increase over the four-year period. Losses according to the FBI surged 444%. Even after accounting for the exceptionally high inflation experienced over this timeframe, it’s estimated that reported fraud increased between 295%-349%.



THE COST OF FINANCIAL FRAUD

The cost of financial fraud comprises numerous potential costs, including but not limited to the following tangible and intangible costs:

1. **Property/Asset Loss:** The actual financial or asset loss resulting from fraud — stolen funds, emptied bank accounts, fraudulent loans, or lost valuables due to scams or theft.
2. **Productivity Impact:** Time and energy spent dealing with fraud (filing reports, fixing credit, replacing IDs, contacting banks) can cause absenteeism or distraction at work, affecting individual and overall workplace productivity.
3. **Quality of Life:** The aftermath of financial fraud can lead to long-term lifestyle changes – reduced financial stability, inability to pay for basic living expenses (housing, food), isolation, and loss of trust in institutions or people.
4. **Public Services:** Government and public-sector resources are consumed during investigations, fraud prevention efforts, consumer support services, and law enforcement actions. Fraud increases strain on social services, especially in cases like elder abuse.
5. **Mental Health Costs:** Fraud can severely affect a person's psychological well-being. Victims often report depression, anxiety, shame, and distrust of others. In severe cases, it can lead to long-term emotional trauma, PTSD, or even suicide.
6. **Medical Costs:** Victims may experience health problems due to stress, anxiety, or trauma caused by fraud. This can lead to increased doctor visits, medication use, or even hospital stays for issues like high blood pressure, panic attacks, or sleep disorders.
7. **Adjudication and Sanctioning:** Legal and judicial systems incur costs for prosecuting fraud cases. This includes law enforcement time, court expenses, public defenders or legal aid, and incarceration or rehabilitation programs for offenders.
8. **Insurance Costs:** Financial fraud can drive up the cost of property insurance, medical insurance, and auto insurance, among others.

Costs vary widely depending on the type of financial fraud and how many victims are involved.

Arizona saw nearly 55,000 cases of financial fraud in 2024

Based upon information released by the FTC from the Consumer Sentinel Network there were 2.6 million fraud reports covering \$12 billion in fraud losses across the entire U.S in 2024.⁶ Of these reports, 38% involved a financial loss with a median loss of \$499, and an average loss of \$4,859.⁷

The same FTC reporting shows that Arizona residents experienced \$344.3 million in losses across 54,912 reported frauds in 2024.⁸ **However, if we combine the FTC and FBI data, excluding duplicate figures and categories not discussed in this paper, CSI estimates that Arizonan’s experienced over \$521 million in losses due to financial fraud in 2024.**

Figure 2 depicts the reported or estimated counts of financial fraud in 2024. Overall, the most common type of fraud is imposter scams, which include Grandparent Scams, Fake Distress, and other types of illegal misrepresentation for financial gain.

FIGURE 2.
Estimated Cases in Arizona Listed in the Background Section

| Type of scam | Number of cases in Arizona |
|--|----------------------------|
| Imposter Scams (Business, Government, Family & Friend) | 15,080 |
| Grandparent Scam | Under imposter scam |
| Fake Distress | Under imposter scam |
| Identity Fraud | 10,040 |
| Credit Card Fraud | 8,101 |
| Ecommerce Fraud | 7,210 |
| Phishing and Social Engineering Fraud | 4,312 |
| Loan Fraud (Counterfeit/forgery) | 3,540 |
| ATM Fraud | 3,421 |
| Fake Prize Scams (Prizes, Sweepstakes & Lotteries) | 2,390 |
| Investment Fraud | 2,372 |
| Installation of Malware | 2,333 |
| Elder Financial Fraud | 2,252 |
| Payment App Fraud | 2,019 |
| Debit Card Fraud | 1,988 |
| Romance Scam | 1,978 |
| Wire Transfer Fraud | 1,301 |
| Gift Card Scams | 917 |
| Check Fraud | 682 |
| Social Media Fraud | 191 |
| Account Takeover Fraud | Not individually reported |
| Card Trapping | Not individually reported |
| Money Laundering | Not individually reported |
| Skimming | Not individually reported |
| Counterfeit/Forgery | Not individually reported |
| Check Kiting | Not individually reported |
| Alteration | Not individually reported |

Source: Federal Trade Commission, Federal Bureau of Investigation, Arizona Department of Public Safety

Unfortunately, financial fraud is much more prevalent and costly in Arizona compared to other states and the U.S. more broadly. Using FTC accounting alone, Arizona had the 11th *highest* fraud incidence rate among all states) at 1,459 per 100,000 residents. In per-capita terms, CSI estimates that financial fraud in the state reached \$69

for each resident in 2024, and about \$182 for each household.

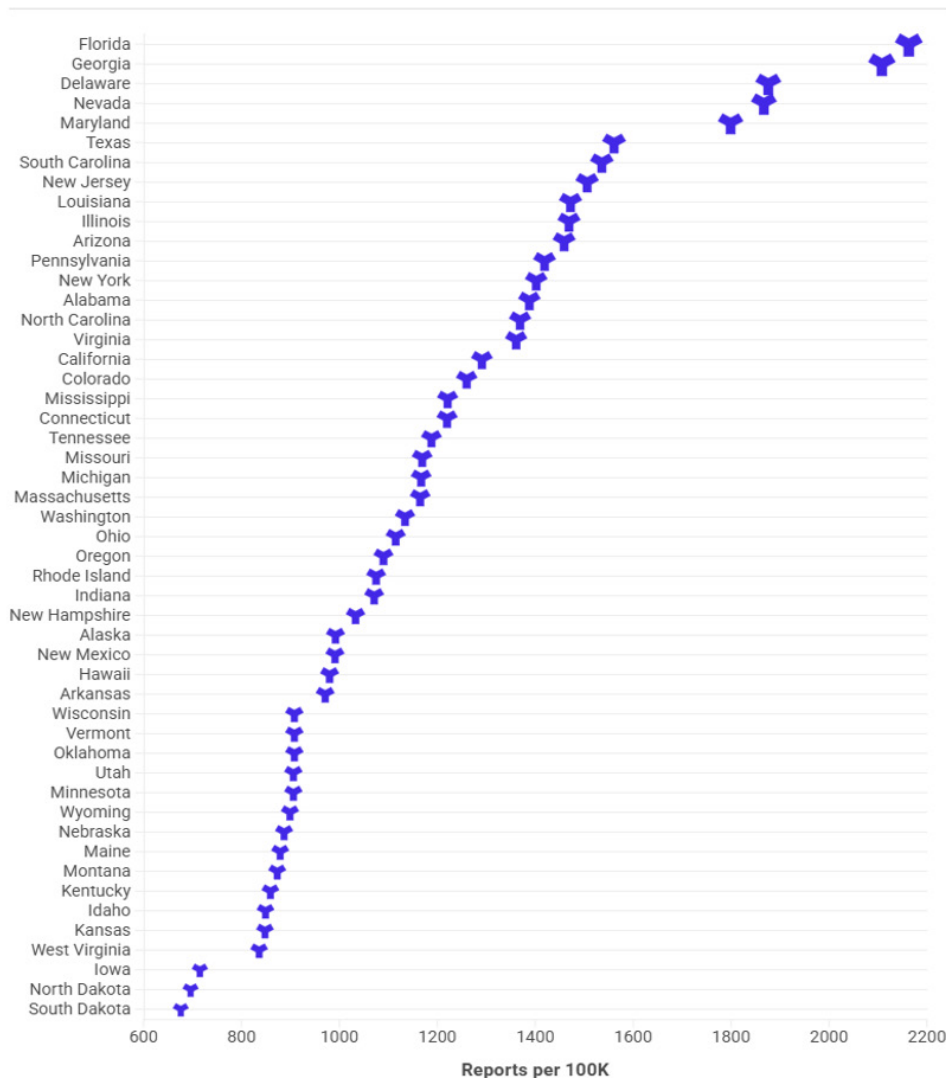
For context, the Arizona Department of Revenue notes that the average state income tax liability was \$1,731 per return in 2022⁹, meaning that the per-capita losses due to fraud in 2024 were equivalent to a 4.0% - 8.0% increase in annual income tax liability for Arizona residents.

Moreover, the \$6,270 average loss per fraud incident experienced in the state is 29% larger than the national average. This higher incidence and average loss in the state means that Arizona accounted for roughly 2.9% of the nation's overall fraud losses in 2024 according to FTC data; in 2024 Arizona accounted for 1.9% of total U.S. GDP.¹⁰

FIGURE 3.

Reports of Fraud per 100K Individuals by State

Arizona's incidence of fraud per 100K individuals is just outside the top 10 of states, with the 11th highest incidence among states.



Source: Federal Trade Commission

Older Arizonans experience the greatest losses from fraud

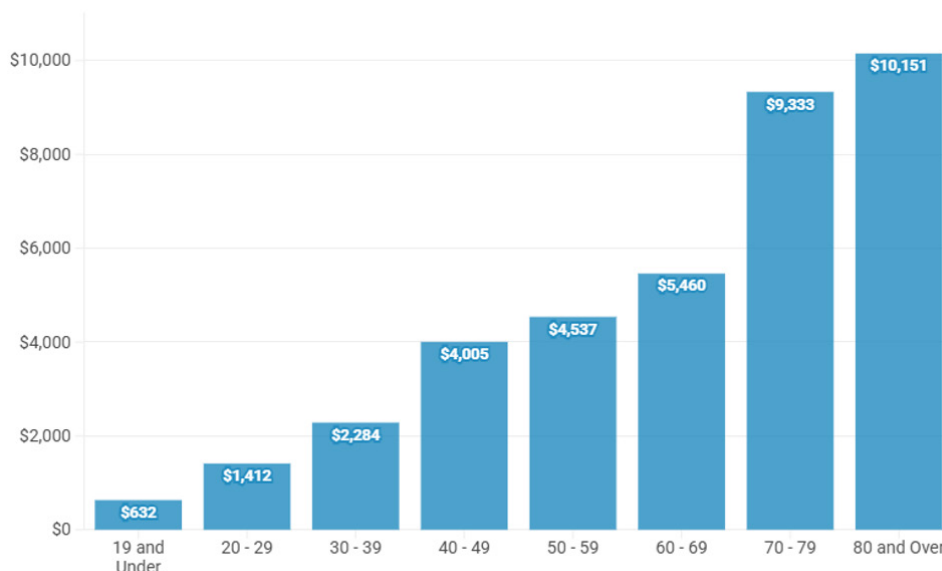
The average loss for incidents of fraud in Arizona is lowest for the 19-and-under age group and rises for each subsequent age group. For victims 70 and older, the average reported loss nearly doubles that for all other age groups.

Interestingly, of the few younger people aged 20 to 29 who reported losing money to fraud, they reported a dollar loss at a higher rate (52%) compared to every other reported age bracket.¹¹ In fact, the percentage of fraud reports involving a financial loss declines as one moves through the age groups, reaching a low of just 28% for the 60 to 69 age group. This should not be confused with how often each age group suffers a financial loss from fraud. To be clear, the younger generation is much less likely to report being victim of a financial fraud compared to the

FIGURE 4.

Fraud Loss by Age Group

Overall, the average loss per fraud crime is much higher for the older generations. For individuals in the 60 to 69 age group, the average loss is \$9,333 and for individuals 80 and over the average loss is \$10,151. These are much higher than the sub-\$2,000 average loss estimates for individuals under age 30.

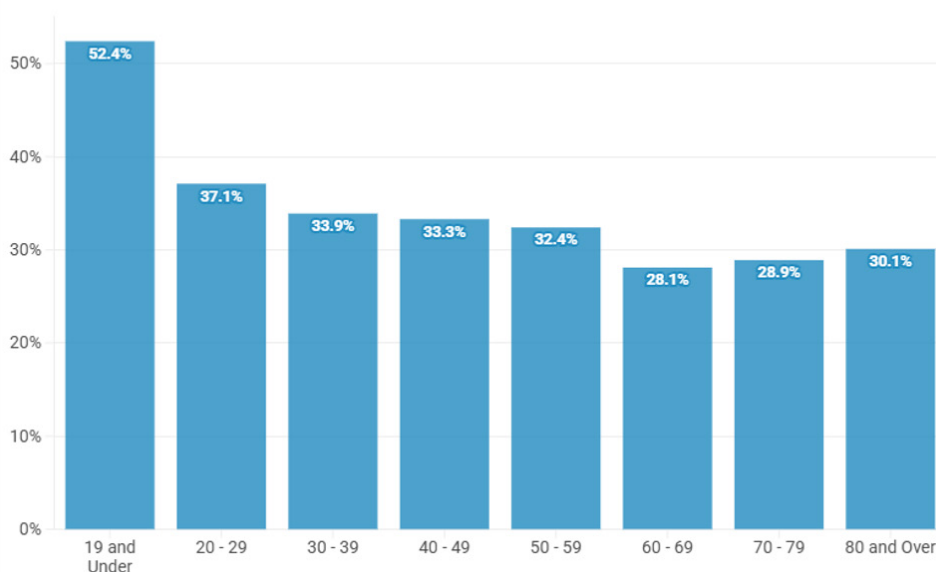


Source: Federal Trade Commission

FIGURE 5.

Percent of Fraud Reports Involving a \$ Loss by Age Group

Overall, although the younger generation is less likely to report being victim of financial fraud, when they do report financial fraud, they are more likely to report a financial loss.



Source: Federal Trade Commission

60 to 69 age group (0.03% vs 0.65%), but given that a younger individual falls victim to some type of fraud, they – on average – are more likely to report some monetary loss associated with that victimization compared to older groups.

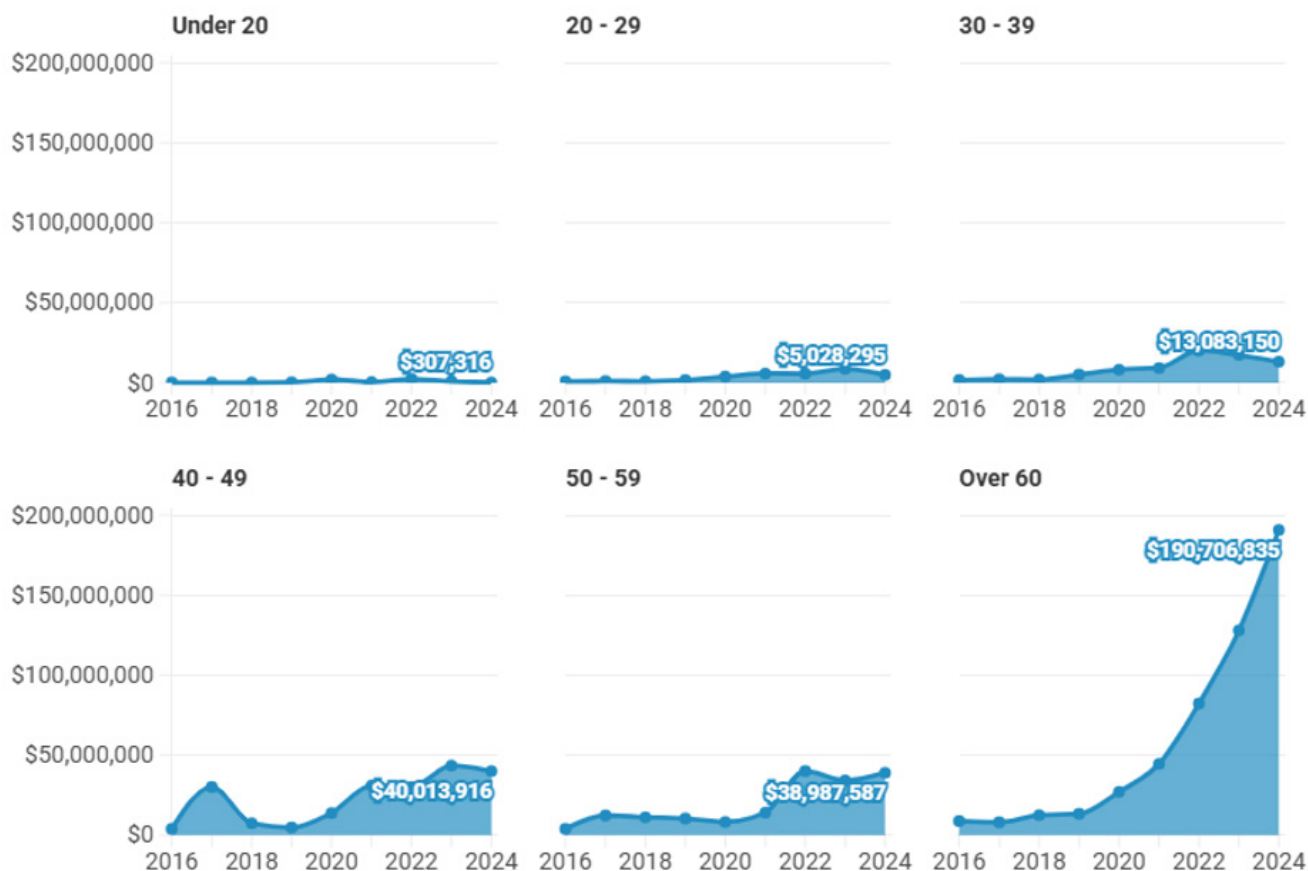
As mentioned previously, the FBI also reports figures on financial fraud through its Internet Crime Report (ICC).¹² Using information from the ICC, the demographic breakdown of internet-based financial fraud in Arizona is also heavily centered on the older generation with more than 66% of reported loss in 2024 coming from individuals aged 60 and over, up from 15% just eight years ago in 2016. The two age groups under 30-years-old consistently account for only a small fraction of the reported financial loss – 1.9% in 2024, down from its nine-year peak of 9.4% in 2020.

It's clear that older generations fall victim to financial fraud more often than younger generations, and that the losses experienced by this group have accelerated in recent years beginning in 2020. Unsurprisingly, as cited in previous CSI research on crime, this period coincides with a more general increase in crime experienced in the state and across the country following the COVID-19 pandemic. However, while the acceleration of crime more generally appears to have slowed (although crime rates have generally remained elevated) the both the occurrence and financial losses associated with financial fraud do not appear to be slowing.

FIGURE 6.

Reported Loss from Internet Crime By Age Group

Losses from internet related fraud increased for nearly all age groups following 2020, although losses for the oldest cohort increase the most.



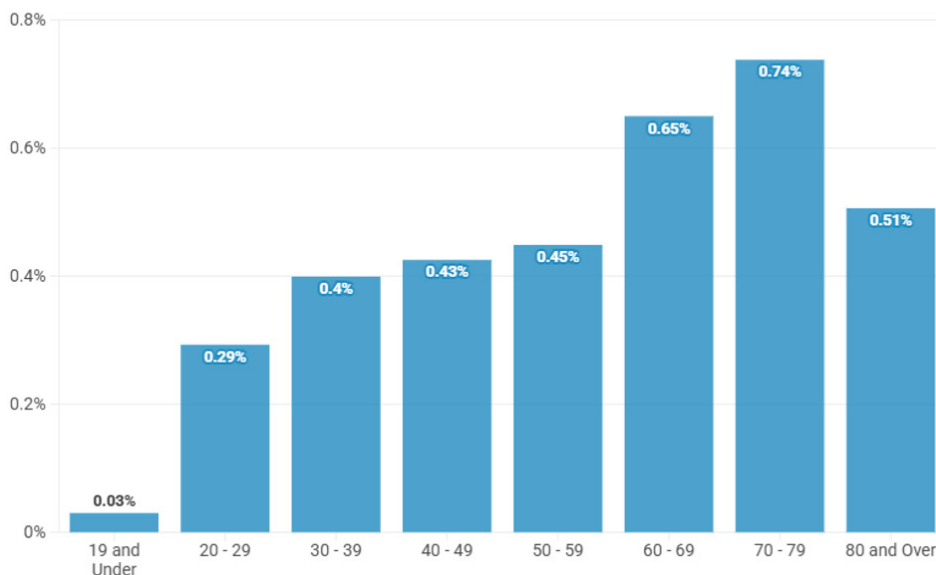
Source: Internet Crime Complaint Center • Note: Please note that the losses reported by the IC3 here is not comprehensive of all losses stemming from financial fraud in the state.

Part of the age disparity in losses due to financial fraud is explained by the fact that both incomes and wealth tend to increase with age, meaning older generations present a more lucrative target to would-be fraudsters. However, as mentioned previously, the rate of victimization among older generations is generally higher as well compared to younger generations. As shown in figure 7, the percentage of individuals aged 19 and under reporting a fraud case was just 0.03%, much less than the 0.65% for 60 to 69 age group, 0.74% for 70 to 79 age group, and 0.51% for the 80 and over age group.

FIGURE 7.

Percentage of Individuals in Each Age Group Reporting Fraud

Overall, the younger generation is much less likely to report fraud compared to every other age group.



Source: Federal Trade Commission

DATA AND ANALYSIS

It's clear that financial fraud directly affects victims in terms of the monetary losses they experience. But the indirect impacts on the broader economy can have implications for people who may not directly experience any fraud themselves. Reductions in consumer spending and increases in fraud prevention spending alone will trickle through the economy, impacting things like employment and output. Additionally, the prevalence of fraud can increase transactions costs, and discourage potential consumers and investors from transacting in sectors and geographic areas where fraud tends to be higher, like Arizona, further dampening overall economic growth.

To account for these wide-ranging effects, this report employs estimates of the direct and indirect impacts of financial fraud from the activities listed in Appendix A. This list stems from information provided by the Arizona Department of Public Safety, the Federal Trade Commission, and the FBI's Internet Crime Complaint Center. Because there can be overlap in information reporting from these three sources, attempts were made to ensure no double counting occurred.

An estimated \$3.4 billion in financial fraud will go unreported in 2025

As we have discussed previously, individuals and businesses may opt not to report financial fraud. The lack of reporting, however, does not mean the economic impact does not occur. As one might expect, estimates on unreported financial fraud vary widely. Using an estimate derived from the Financial Industry Regulatory Authority, **only 14%** of financial fraud is formally reported to government authorities.¹³ Given this figure and data on reported fraud losses, the total amount of **unreported financial fraud in 2024 exceeds \$3.2 billion**. This is **on top of the \$521 million in reported losses in 2024**.

However, observing recent national trends, CSI estimates that reported fraud could reach \$558 million in 2025 – a 7% increase over 2024. Using the same estimated reporting rate, this implies that \$3.4 billion in losses due to financial fraud will go unreported in 2025.

ECONOMIC IMPACT

Utilizing the TaxPI+ model from Regional Economic Models Inc. (REMI), this report evaluates the broader economic impacts of financial fraud in the state of Arizona. TaxPI+ is a dynamic input-output model that allows researchers to estimate the effects of shocks on various parts of the economy, such as financial losses due to fraud. The overall impact of financial fraud on the broader Arizona economy is modeled under two scenarios: reported losses only, and total reported and unreported losses.

Reported Losses Impact on Jobs, GDP, Personal Income

The following figure provides the estimated economic impact of reported financial fraud in the state in 2025. Refer to the Appendix for a detailed breakdown of inputs and other assumptions used for the simulation.

FIGURE 8.

Economic Impact of Reported Financial Fraud in 2025

| | Gross Domestic Product | Personal Income | Disposable Personal Income | Total Employment | Output (Sales) | Prices |
|----------|------------------------|-----------------|----------------------------|------------------|----------------|--------|
| Nominal | (\$736) | (\$595) | (\$515) | (6,336) | (\$1,249) | |
| % Change | (0.14%) | (0.12%) | (0.12%) | (0.15%) | (0.14%) | +0.02% |

Source: REMI, CSI Modeling • \$ in millions

Reported and Unreported Losses Impact on Jobs, GDP, Personal Income

The following figure provides an estimate of the economic impact of reported *and* unreported financial fraud in the state in 2025.

FIGURE 9.

Economic Impact of All Financial Fraud in 2025

| | Gross Domestic Product | Personal Income | Disposable Personal Income | Total Employment | Output (Sales) | Prices |
|----------|------------------------|-----------------|----------------------------|------------------|----------------|--------|
| Nominal | (\$5,243) | (\$4,244) | (\$3,672) | (45,164) | (\$8,902) | |
| % Change | (0.97%) | (0.86%) | (0.83%) | (1.03%) | (0.98%) | +0.12% |

Source: REMI, CSI Modeling • \$ in millions

As both simulations demonstrate, the second and third-order economic impacts due to financial fraud are significant. Specifically, our modeling suggests that each \$1 lost to fraud ultimately reduces overall economic activity (GDP) by \$1.32, total personal income by \$1.06, and overall output/sales by \$2.23. In terms of nominal GDP, these losses approach 1% of overall economic output in the state. Additionally, this analysis suggests that consumers today face prices that are 0.12% higher than they would be without financial fraud.

THE BOTTOM LINE

The increase in cases of financial fraud has naturally resulted in growing direct financial losses from fraud.

CSI estimates that **Arizona's direct reported losses from fraud now exceed \$558 million annually.**

The real number is likely much higher, as research suggests **only 14% of all financial fraud gets reported.**

The impacts of financial crime go well beyond direct losses – resulting in higher prices, less consumer willingness to engage in the economy, security and enforcement costs, etc. Common Sense Institute's estimates using dynamic modeling suggests financial fraud in the state reduces state GDP by up to \$5.2 billion annually (0.97% decline), and increases consumer prices by 0.12%.

METHODOLOGY

Model for Broader Economic Impact from Financial Fraud

To estimate the economic impact of financial fraud on Arizona's economy, CSI used the following assumptions as direct inputs into the REMI model (estimates of reported and unreported financial fraud) (Table 1):

TABLE 1.

| Measure | REMI Input Amount for 2025 | REMI Variable |
|---|----------------------------|---|
| Miscellaneous Investments & Investment Advice | \$1,027,902,333 | Modeled as reduced Dividend Income because it acts more as a reduced annualized dividends than reduced immediate consumption. |
| Romance Scams | \$409,983,419 | Modeled as a reduction in consumer spending |
| Business Imposters | \$181,773,253 | Modeled as a reduction in consumer spending |
| Government Imposters | \$162,332,641 | Modeled as a reduction in consumer spending |
| Prizes, Sweepstakes & Lotteries | \$96,219,057 | Modeled as a reduction in consumer spending |
| Fake Check Scams | \$75,582,804 | Modeled as an increase in Production Cost with Immediate Market Share Response |
| Job Scams & Employment Agencies | \$71,166,764 | Modeled as a reduction in consumer spending |
| Tech Support Scams | \$49,527,171 | Modeled as an increase in Production Cost with Immediate Market Share Response |

| Measure | REMI Input Amount for 2025 | REMI Variable |
|---------------------------------------|----------------------------|---|
| Online Shopping | \$44,912,393 | Modeled as a reduction in consumer spending |
| Vacation & Travel | \$30,328,201 | Modeled as a reduction in consumer spending |
| Malware & Computer Exploits | \$28,365,121 | Modeled as a reduction in consumer spending |
| Online Payment Services | \$25,903,365 | Modeled as a reduction in consumer spending |
| Business & Work-at-Home Opportunities | \$21,123,297 | Modeled as a reduction in consumer spending |
| Family & Friend Imposters | \$20,469,492 | Modeled as a reduction in consumer spending |
| Timeshare Sales | \$17,202,976 | Modeled as a reduction in consumer spending |
| Medical Treatments & Cures | \$11,581,738 | Modeled as a reduction in consumer spending |
| Pyramids & Multi-Level Marketing | \$10,086,147 | Modeled as a reduction in consumer spending |
| Diet Products, Plans & Centers | \$9,171,397 | Modeled as a reduction in consumer spending |
| Website Content | \$7,498,490 | Modeled as an increase in Production Cost with Immediate Market Share Response |
| Real Estate | \$110,938,351 | Modeled as reduced Dividend Income because it acts more as a reduced annualized dividends than reduced immediate consumption. |
| Advance-Fee Credit | \$6,373,510 | Modeled as a reduction in consumer spending |
| Timeshare Resales | \$5,506,656 | Modeled as a reduction in consumer spending |
| Stocks & Commodity Futures Trading | \$4,993,613 | Modeled as a reduction in consumer spending |
| Credit & Debt Counseling | \$4,966,752 | Modeled as a reduction in consumer spending |
| Social Networking Services | \$3,850,795 | Modeled as a reduction in consumer spending |
| Charitable Solicitations | \$3,788,047 | Modeled as a reduction in consumer spending |
| Non-Educational Grants | \$3,279,634 | Modeled as an increase in Production Cost with Immediate Market Share Response |

| Measure | REMI Input Amount for 2025 | REMI Variable |
|--|----------------------------|--|
| Mortgage Modification & Foreclosure Relief | \$2,576,921 | Modeled as a reduction in consumer spending |
| Phone Billing | \$1,991,462 | Modeled as a reduction in consumer spending |
| Medical Insurance & Discount Plans | \$1,445,525 | Modeled as a reduction in consumer spending |
| Tax Preparers | \$1,389,165 | Modeled as a reduction in consumer spending |
| Office Directory Listings & Ad Space | \$1,354,521 | Modeled as an increase in Production Cost with Immediate Market Share Response |
| Website Design & Promotion | \$1,162,700 | Modeled as an increase in Production Cost with Immediate Market Share Response |
| Foreign Money & Inheritance Scams | \$378,372 | Modeled as a reduction in consumer spending |
| Credit Repair | \$199,352 | Modeled as a reduction in consumer spending |
| Immigration Services | \$52,912 | Modeled as a reduction in consumer spending |
| Office Supplies & Services | \$34,321 | Modeled as an increase in Production Cost with Immediate Market Share Response |
| Invention Promotion | \$16,807 | Modeled as a reduction in consumer spending |
| Scholarships & Educational Grants | \$306 | Modeled as a reduction in consumer spending |
| Property & Inheritance Tracers | \$0 | Modeled as a reduction in consumer spending |
| Credit Card Identity Theft | \$189,614,562 | Modeled as a reduction in consumer spending |
| Other Identity Theft | \$131,271,620 | Modeled as a reduction in consumer spending |
| Bank Account Identity Theft | \$48,619,119 | Modeled as a reduction in consumer spending |
| Loan or Lease | \$82,652,502 | Modeled as a reduction in consumer spending |
| Employment or Tax-Related | \$58,342,942 | Modeled as a reduction in consumer spending |
| Credit Bureaus and Information Furnishers | \$77,790,590 | Modeled as a reduction in consumer spending |
| Debt Collection | \$14,585,736 | Modeled as a reduction in consumer spending |

| Measure | REMI Input Amount for 2025 | REMI Variable |
|---|----------------------------|--|
| Auto Related | \$19,447,647 | Modeled as a reduction in consumer spending |
| Internet Services | \$9,723,824 | Modeled as a reduction in consumer spending |
| Privacy, Data Security, and Cyber Threats | \$134,082,844 | Modeled as a reduction in consumer spending |
| Business Email Compromise (BEC) | \$722,650,105 | Modeled as an increase in Production Cost with Immediate Market Share Response |
| Extortion | \$18,348,531 | Modeled as a reduction in consumer spending |
| Overpayment | \$6,855,442 | Modeled as a reduction in consumer spending |
| Phishing/Spoofing | \$4,592,795 | Modeled as a reduction in consumer spending |
| Ransomware | \$14,625,835 | Modeled as a reduction in consumer spending |

APPENDIX A

This study employs estimates of the direct impact of financial fraud from the following activities for its economic impact assessment:

- Miscellaneous Investments & Investment Advice
- Romance Scams
- Business Imposters
- Government Imposters
- Prizes, Sweepstakes & Lotteries
- Job Scams & Employment Agencies
- Vacation & Travel
- Online Shopping
- Tech Support Scams
- Malware & Computer Exploits
- Timeshare Sales
- Pyramids & Multi-Level Marketing
- Credit & Debt Counseling
- Online Payment Services
- Business & Work-at-Home Opportunities
- Family & Friend Imposters
- Fake Check Scams
- Advance-Fee Credit
- Medical Treatments & Cures
- Real Estate
- Timeshare Resales
- Tax Preparers
- Charitable Solicitations
- Credit Repair
- Website Design & Promotion
- Phone Billing
- Medical Insurance & Discount Plans
- Diet Products, Plans & Centers
- Mortgage Modification & Foreclosure Relief
- Website Content
- Invention Promotion
- Office Directory Listings & Ad Space
- Non-Educational Grants
- Stocks & Commodity Futures Trading

- Foreign Money & Inheritance Scams
- Social Networking Services
- Immigration Services
- Office Supplies & Services
- Prepaid Phone Cards
- Scholarships & Educational Grants
- Property & Inheritance Tracers
- Credit Card Identity Theft
- Other Identity Theft
- Bank Account Identity Theft
- Loan or Lease
- Government Documents or Benefits
- Credit Bureaus and Information Furnishers
- Debt Collection
- Auto Related
- Internet Services
- Privacy, Data Security, and Cyber Threats
- Business Email Compromise (BEC)
- Extortion
- Overpayment
- Phishing/Spoofing
- Ransomware

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