

TAKE ADVANTAGE OF AZ TAX CREDITS

Before year end, be sure you have maximized your tax savings from a federal tax deduction and a dollar for dollar Arizona tax credit. See the reverse side of this flyer for more information on the three largest AZ tax credits available. Here's how it works:

Example – Fees Paid to Public Schools

You contribute \$400 to an extra curricular school program before yearend. You write your check and give it to your school of choice and receive a receipt for the contribution. At tax time, when you file your AZ Tax Return – you'll be eligible for the following:

- 1. Federal Charitable Contribution Deduction – possible savings on federal taxes from 15% - 35%.**
- 2. AZ State Tax Credit** – Arizona adds back your federal tax deduction and gives you a full refund of your contribution – *you receive your \$400 back* and can then deposit it back into your personal account.

The cost for these credits is during a short time frame from the date of contribution to the date of the refund, for any lost interest or potential earnings on those funds.

Detailed information is provided on the back of this flyer. If you have questions concerning the credits available, please contact our office.

This is a great way to help the charities or schools you want to support and receive an additional tax benefit in the mean time.



TAX TIPS

**Would you like a free tax deduction? It's available at no cost to you with an AZ Tax Credit!
Take advantage of it before year end!**

	Fees Paid to Public Schools	School Tuition Organization	Charities that Provide Assistance to the Working Poor
Type	Credit for cash contributions made for certain fees paid to public schools.	Credit for contributions made to a school tuition organization that provides scholarships or grants to qualified schools	Credit for Cash Contributions made to certain charities that provide help to the working poor.
Amount of Credit			
Filing Status			
Single/HofH	\$200	\$500	\$200
Married Filing Joint	\$400	\$1,000	\$400
Married Filing Separate	\$200	\$500	\$200
Carryforward Period	5 yrs	5 yrs	5 yrs
Available for			
Individuals	Yes	Yes	Yes
Corporations	No	No	No
Partnerships	No	No	No
S Corporations	No	No	No
Qualifying Expenditure	Extra Curricular Activities or Character Education Programs	Qualifying School Tuition Organization	Qualifying Charity - amounts that exceed initial year baseline amount.
Nonqualifying Expenditure	Senior Trips or events that are recreational, amusement or tourist	Designation of credit for direct benefit of your dependent	Amounts contributed under a baseline year amount
Examples:	Band, Uniforms for Athletics, Scientific Laboratory Equipment In state or out-of-state trips for competitive events.	Tax Exempt under 501(c)(3) Organization allocates 90% of revenue to scholarships or grants. Organization makes funds available to more than one qualified school.	Tax Exempt under 501(c)(3) Organization is a designated community action agency that receives Community Services Block Grant Program money. Organization spends 50% on services to AZ Residents who are low income.
Documentation Needed:	Receipt for contributions or qualifying fees paid for which you are claiming a credit - name of public school - school district - name of taxpayer - amount paid or contributed - date paid or contributed - description of activity for which contribution or fees paid	Receipt for contributions or qualifying fees paid for which you are claiming a credit - name and address of the school tuition organization - name of taxpayer - amount paid or contributed - date paid or contributed	Receipt for contributions for which you are claiming a credit - name of organization - name of taxpayer - amount paid or contributed - date paid or contributed (ask to see a copy of the certification letter the charity sent to the AZ. Dept. of Revenue)
Resources www.azdor.gov	PUBLICATION 707	PUBLICATION 707	PUBLICATION 710
AZ FORM	322	323	321

If you'd like more information please contact our office:

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