

AZ Tax Law Training

- 1. Arizona Individual Income Tax – TY22**
 - i. Conformity – what does this mean?
 - ii. AZ Form Changes (forms and TSO input)
 - iii. Ancestor Exemption

- 2. AZ Supplemental Intake Form**
 - i. AZ website > Tax Prep > Arizona Taxes
 - ii. Organized in order of the AZ tax return
 - iii. Contains AZ items requiring manual input in TSO

- 3. Cactus Book**
 - i. Introduce Cactus Book for AZ
 - ii. Mirrors Pub 4012 for Federal
 - iii. Download to Google Drive (Chromebook)

- 4. Income Exclusions**
 - i. Pension Exclusions
 1. Government
 - a. Federal, AZ State & Local government – up to \$2,500
 2. Military - Uniform Services Pension – 100%
 - ii. Certain Wages of American Indians
 - iii. Taxable portion of non-AZ refunds
 - iv. Net Long Term Capital Gains exclusion
 - v. Contributions to 529/529 ABLE Plans
 - vi. Long Term Care Premiums

- 5. Tax Credits**
 - i. **Property Tax Credit - PTC140** –
 1. Renters – Form 201
 2. Owners – Property Taxes Paid (need receipt)

 - ii. **Other Tax Credits**
 - iii. 310 – ~~Solar Credit~~ – **Out of Scope**
 - iv. 321 – Qualifying Charitable Organizations
 - v. 322 – Donations to Public Schools
 - vi. 323 – Donations to Private School Tuition Organizations
 - vii. 348 – Donations to Certified School Tuition Organizations
 - viii. 352 – Qualifying Foster Care Organizations
 - ix. 340 – Donations to Military Family Relief Funds
 - x. Excise Tax Credit – Where do you adjust ETC
 - xi. 309 – Taxes paid to another State or Country

6. **Charitable Donations – TSO Input Guide**
 - w/Standard Deduction
 - i. AZ allows a 25% increase to the Standard Deduction
 - ii. Includes cash and non-cash
 - iii. TSO will adjust the AZ Tax Credit from Federal input
 - w/Itemized Deduction
 - iv. Charity that results in an AZ Tax Credit
 1. Qualified Tax Credit \$'s is removed from Charitable deduction in TSO (Sch A)
 2. Qualified Tax Credit \$'s is added to State Taxes paid (Sch A)
 3. Requires an adjustment in AZ input to correct the 25%
7. **Charity – QCD**
 - i. Adjust QCD tax credit \$'s to qualify for preferential tax treatment
8. **AZ Tax Refund received in 2022?**
 - i. Use prior year AZ tax return
 - ii. Is Federal Itemized? (No- Refund is not taxable)
 1. If yes, need to calculate how much is taxable
9. **W-2 Box 14 Retirement**
 - i. Qualify for Retirement Savings Credit Form 8880?
 1. Depends on Voluntary or Required contributions
10. **Sales Tax Deduction when Itemizing**
 - i. Why?
 - ii. Where to enter?
 - iii. What to enter?
11. **Amending a Return**
 - i. Include in Federal Tax training
12. **AZ Forms**
 - i. Form 140
 1. Line by Line – Federal Transfers vs Manual Input
 - ii. Form 140NR
 - iii. Form 140PY
 - iv. Form 140PTC
 1. Form 201
 2. How to access property tax information
 - v. Form 301

Instructor Resources –

AZ Tax-Aide website > Tax Prep > Arizona Taxes

1. Ancestors Exemption

- a. Activities of Daily Living Definitions
- b. Checklist (AZ ITP 14-2)

2. AZ Tax Help

- a. AZ DOR 140 Booklet TY22
- b. AZ DOR Update TY22
- c. AZ Quick Reference Guide TY22
- d. AZ Conformity TY22
- e. AZ DOR Services TY22
- f. Filing Requirements TY22
- g. Highlights TY22
- h. AZ Tax Changes – slides TY22

3. Community Property

- a. AZ Community Property Explanation
- b. Pacific Region MFS Policy TY22

4. Assessor/Treasurer Links

- a. County Links –

5. AZ Supplemental Intake Form

- a. AZ Supplemental Intake Form TY22

6. Local Sales & Vehicle Tax

- a. Local Sales Tax by City TY22

7. Net Long-Term Capital Gain

- a. Calculating AZ Net Long Term Gain TY22

8. Property Tax Credits

- a. Form 140 PTC TY22
- b. 140 PTC Booklet & Instructions TY22
- c. Form 140 PTC Quick Summary TY22
- d. Renters Form 201 TY22 – (will update)

9. Tax Credits

- a. AZ Carryover Assistant explanation
- b. Carryover Assistant Tool
- c. AZ Charitable Tax Credits TY22
- d. AZ DOR Information Links
- e. AZ QCD Donations TY22
- f. Qualifying Codes

- i. Codes for Prior Years
- ii. Charitable Organizations TY22
- iii. Foster Care Organizations TY22
- iv. School Codes
 - v. Alphabetical, By Name
 - vi. Tuition Organizations

Arizona State Tax Knowledge Check –

AZ State Tax Knowledge Check TY22

AZ Practice Exercises

1. Kenobi –

AZ State Pension exclusion

2. Skywalker –

Qualified Charitable Organization Contribution – Form 321
Qualified Public-School Contribution – Form 322

3. Fox -

Property Tax Credit - owner.

4. Renter -

Property Tax Credit - renter

5. Renfro – Comprehensive AZ tax return

Municipal bond income – AZ and Non-AZ
Lottery
Charity – Qualified Charity- AZ and non-AZ, Public School, School Tuition
Estimated payments

6. Earp - Comprehensive AZ tax return

Ancestor, Contributory AZ State Pension, Long Term Capital Gain, Long Term
Care Premium, 529 Plan contributions, Qualified AZ Charity, Non-cash donation

Need Answer Key