

# AZ STATE INCOME TAX 2023

# ■ AZ Tax Forms

- Form 140 – Resident Personal Income Tax Return - Handout
- Form 140NR – Nonresident Personal Income Tax Return
- Form 140PY – Part-Year Resident Personal Income Tax Return
- Form 140PTC – Property Tax Credit Refund Claim - Handout
- Form 140ET – Credit for Increased Excise Tax
- Form 140-SBI\* – Small Business Income Tax – **Out of Scope**

# ■ AZ Tax Forms

- Form 140 – Resident Personal Income Tax
  - Standard for Arizona Residents
- Form 140NR – Nonresident Personal Income Tax
  - Non-Arizona Residents with Arizona source income
- Form 140PY – Part-Year Resident Personal Income Tax
  - Include ALL income during Arizona residency
  - Include ALL Arizona source income

# ■ TaxSlayer Data Transfer

- Federal Input
  - Most data transfers to the Arizona return
  - Many states have unique requirements (exclusions, credits)
  - Requirements may require input in the State section
- AZ Supplemental Intake Form -
  - Aids in identifying unique Arizona tax requirements
  - Discussions with taxpayer(s)
- Prior Year State Tax Return
  - Used to identify Carryforward balances

# AZ INCOME TAX RETURN

What Data Transfers from Federal Input?

# Basic Information

Arizona Form <b>140</b>		Resident Personal Income Tax Return		FOR CALENDAR YEAR <b>2023</b>	
82F <input type="checkbox"/> Check box 82F if filing under extension		OR FISCAL YEAR BEGINNING   M   M   D   D   2   0   2   3   AND ENDING   M   M   D   D   2   0   Y   Y		66F	
1 Your First Name and Middle Initial		Last Name		Your Social Security Number	
1 Spouse's First Name and Middle Initial (if box 4 or 6 checked)		Last Name		Spouse's Social Security No.	
2 Current Home Address - number and street, rural route		Apt. No.		94 Daytime Phone (with area code)	
3 City, Town or Post Office		State		ZIP Code	
				97 Last Names Used in Last Four Prior Year(s) (if different)	
EXEMPTIONS/FILING STATUS	4 <input type="checkbox"/> Married filing joint return		4a <input type="checkbox"/> Injured Spouse Protection of Joint Overpayment		
	5 <input type="checkbox"/> Head of household. Enter name of qualifying child or dependent on next line.				
	6 <input type="checkbox"/> Married filing separate return. Enter spouse's name and Social Security Number above.				
	7 <input type="checkbox"/> Single				
	8 <input type="checkbox"/> Age 65 or over (you and/or spouse)		81 PM		
9 <input type="checkbox"/> Blind (you and/or spouse)		80 RCVD			
10a <input type="checkbox"/> Dependents: Under age of 17.		10b <input type="checkbox"/> Dependents: Age 17 and over.			
11a <input type="checkbox"/> Qualifying parents and grandparents					

# Dependents & Qualifying Ancestors

<b>(Box 10a and 10b): Dependent Information. See instructions. For more space, check the box <input type="checkbox"/> and complete page 4, Part 1.</b>							
Dependents	(a)	(b)	(c)	(d)	(e)		(f)
	FIRST AND LAST NAME (Do not list yourself or spouse.)	SOCIAL SECURITY NUMBER	RELATIONSHIP	NO. OF MONTHS LIVED IN YOUR HOME IN 2023	Dependent Age included in:		if you did not claim this person on your federal return due to educational credits
					1	2	
					(Box 10a)	(Box 10b)	
10c					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10d					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10e					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<b>(Box 11a): Qualifying parents and grandparents. See instructions. For more space, check the box <input type="checkbox"/> and complete page 4, Part 2.</b>						
Qualifying Parents and Grandparents	(a)	(b)	(c)	(d)	(e)	(f)
	FIRST AND LAST NAME (Do not list yourself or spouse.)	SOCIAL SECURITY NUMBER	RELATIONSHIP	NO. OF MONTHS LIVED IN YOUR HOME IN 2023	IF AGE 65 OR OVER	IF DIED IN 2023
11b					<input type="checkbox"/>	<input type="checkbox"/>
11c					<input type="checkbox"/>	<input type="checkbox"/>

- Enter Dependents in the Federal section of TaxSlayer
  - May qualify for Arizona Ancestor exemption

# ■ Ancestor Input in TaxSlayer

- 11a – Qualifying Parents and Grandparents – See Cactus Guide – page 10
  - Enter Ancestor as a Dependent on the Federal return
  - AZ has specific rules for claiming Ancestors, follow the guideline

## Arizona Return

### Qualifying Parents Or Ancestors

Qualifying Parent or Ancestor Exemption. You may claim this exemption if all of the following apply: 1)Your Parent or an Ancestor of Your Parent Lived in Your Main Home for the Entire Taxable Year. 2)You Paid More Than 1/2 of the Support and Maintenance Cost. 3)The Parent or Ancestor of Your Parent was 65 Year or Older. 4)The Parent or Ancestor of Your Parent Require Assistance With Activities of Daily Living.

Select the Dependent that qualifies for as Qualifying Parents or Ancestors

Is dependent a Qualifying Ancestor?

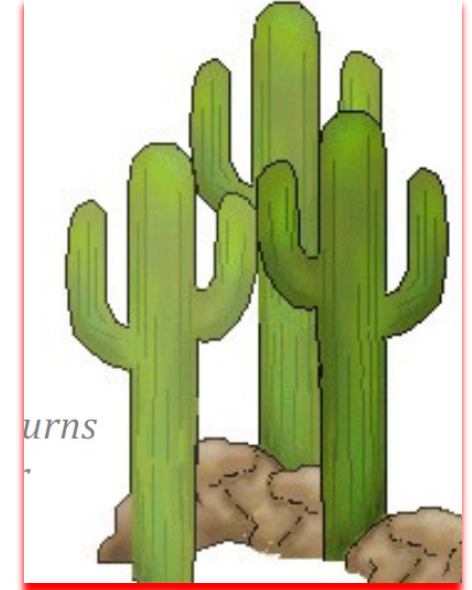
Yes  
 No

“Ancestor” box.

\* Note the four primary requirements. Find details on the [Arizona Taxes](#) page of the [aztax-aide.org](#) website.

\* Select the qualifying dependent from the pulldown menu ...

... and then click the “yes” bubble



# ■ Ancestor Input - Example

## Arizona Return

### AZ Qualifying Parents Or Ancestors

BACK

Name of Parent or Ancestor	
SHIRLEY ANDERSON	<a href="#">Edit</a>

Qualifying Parent or Ancestor Exemption. You may claim this exemption if all of the following apply: 1)Your Parent or an Ancestor of Your Parent Lived in Your Main Home for the Entire Taxable Year. 2)You Paid More Than 1/2 of the Support and Maintenance Cost. 3)The Parent or Ancestor of Your Parent was 65 Year or Older. 4)The Parent or Ancestor of Your Parent Require Assistance With Activities of Daily Living.

Select the Dependent that qualifies for as Qualifying Parents or Ancestors

SHIRLEY ANDERSON ▼

Is dependent a Qualifying Ancestor?

Yes ▼

# Income & Additions

12	Federal adjusted gross income (from your federal return) .....	12		00
13	Small Business Income: 13S <input type="checkbox"/> check the box if you are filing Arizona Form 140-SBI and enter the amount from Form 140-SBI, line 10..	13	OOS*	00
14	Modified federal adjusted gross income. Subtract line 13 from line 12.....	14		00
15	Non-Arizona municipal interest.....	15		00
16	Partnership Income adjustment. See instructions .....	16	OOS*	00
17	Total federal depreciation .....	17	OOS*	00
18	Other Additions to Income: Complete <i>Other Additions to Arizona Gross Income</i> schedule on page 5.....	18		00
19	<b>Subtotal:</b> Add lines 14 through 18 and enter the total .....	19		00

- Federal Adjusted Gross Income is the starting point for AZ Income
  - Non-AZ Muni interest transfers from Federal input
  - Line 18 - List of Additions – see page 13 of the Cactus Guide
    - Most are out of scope, except Lump Sum Distributions & Fed Capital Loss Carryforward

# Subtractions

20	Total net capital gain or (loss). See instructions .....	20		00	
21	Total net short-term capital gain or (loss). See instructions .....	21		00	
22	Total net long-term capital gain or (loss). See instructions .....	22		00	
23	Net long-term capital gain from assets acquired <i>after</i> December 31, 2011. See instructions.	23		00	
24	Multiply line 23 by 25% (.25) and enter the result .....	24			00
25	Net capital gain derived from investment in qualified small business.....	25		OOS*	00
26	Recalculated Arizona depreciation .....	26		OOS*	00
27	Partnership Income adjustment. See instructions .....	27		OOS*	00
28	Interest on U.S. obligations such as U.S. savings bonds and treasury bills.....	28			00
29a	Exclusion for federal, Arizona state or local government pensions (up to \$2,500 per taxpayer).....	29a			00
29b	Exclusion for benefits, annuities and pensions for retired/retainer pay of the uniformed services.....	29b			00
30	U.S. Social Security or Railroad Retirement Act benefits included as income on your federal return (taxable amount)	30			00
31	Certain wages of American Indians .....	31			00
32	Pay received for active service as a member of the reserves, national guard or the U.S. armed forces.....	32		OOS*	00
33	Net operating loss adjustment. See instructions.....	33		OOS*	00
34	Contributions to: 34a 529 College Savings Plans <input type="text"/> 00 34b 529A (ABLE accounts) <input type="text"/> 00 add 34a and 34b	34c			00
35	Subtract lines 24 through 34c from line 19. Enter the difference.....	35			00

# ■ Subtractions – Net Long Term Capital Gain

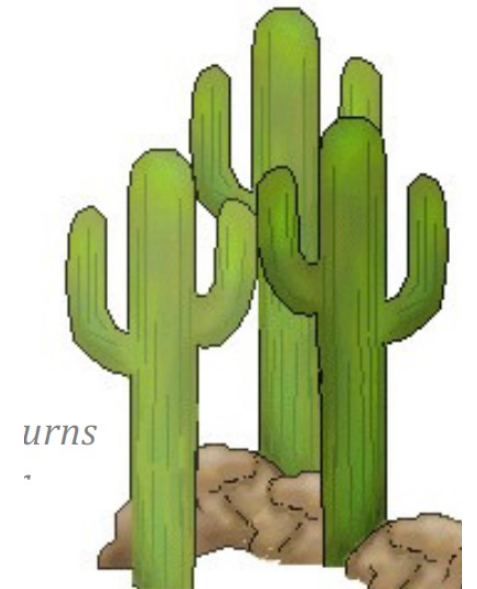
- 25% Capital Gain subtraction – AZ 140 - Line 23
  - Net Gain from sale of assets acquired **after** 12/31/2011
  - Must be determined by reviewing taxpayer documents
  - May include dividends shown on 1099-B (separate line in TaxSlayer)

*(from Subtractions from Income, p15)*

**Subtractions from Income**

Net Long-term capital gain from assets acquired after December 31, 2011.

BEGIN



# Long Term Capital Gain Exclusion

Q 9: Jerry has a brokerage statement with the following transactions.

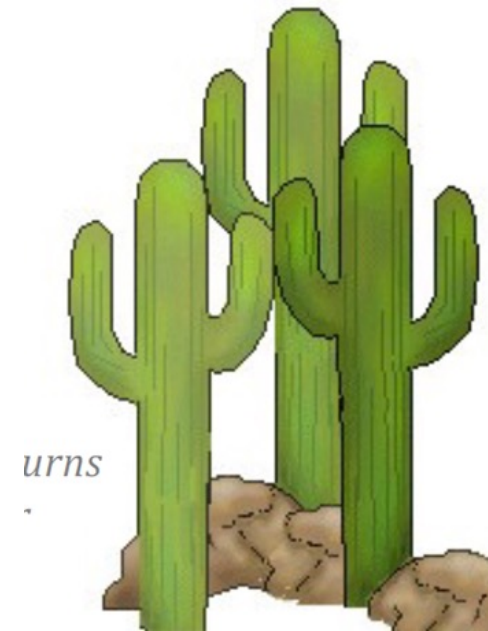
Stock	Sold	Acquired	Sale \$	Cost \$	Gain\$	Term
LLY	12/1/22	12/22/21	\$2,800	\$1,600	\$1,200	Short
PFE	10/1/22	11/10/08	\$1,500	\$1,100	\$ 400	Long
MRK	11/1/22	12/15/16	\$2,300	\$1,800	\$ 500	Long
OGN	09/1/22	11/14/18	\$1,200	\$1,400	<\$ 200>	Long

What amount would you enter on the line for Form 8949?

- a. \$2,100
- b. \$900
- c. \$700
- d. \$300

# ■ Subtractions – Pensions

- Exclusion for Qualifying Pensions & Annuities – Line 29a & 29b
  - Fed & AZ Government pensions – **up to** \$2,500 (can be lower)
  - Uniformed Services - 100% of pension income included on Federal return
  - Cactus Guide – pages 6, 7 & 15



# ■ Subtractions – Pensions

Enter the qualified pension income amount that qualifies for the Exclusion for U.S. Government, Arizona State or Local Government Pensions

Taxpayer: \$

Spouse: \$

**i** The taxpayer has federal pensions in the amount of: \$43,120.00 . If you are eligible for the pension exclusion please enter the appropriate amount above.

Enter the qualified benefits, annuities and pensions for retired/retainer pay of the uniformed services

Taxpayer: \$

Spouse: \$

**i** The taxpayer has federal pensions in the amount of: \$43,120.00 . If you are eligible for the pension exclusion please enter the appropriate amount above.

## ■ Input Screen has both Qualifying Exclusions

- Fed/AZ Government and Uniformed Services

# ■ Subtractions – Certain Wages & Income

## ■ Qualifying American Indian wages

- Tribe Member, Live & Earned on the Reservation

### Subtractions from Income

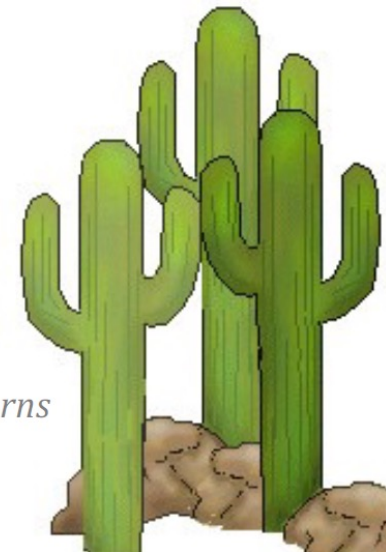
Enter recalculated Arizona depreciation deduction (Adjustment)

\$

Enter certain wages of American Indians

\$

Hint: Generally, enrolled member of American Indian tribes may subtract wages earned while living and working on their tribe's reservation.

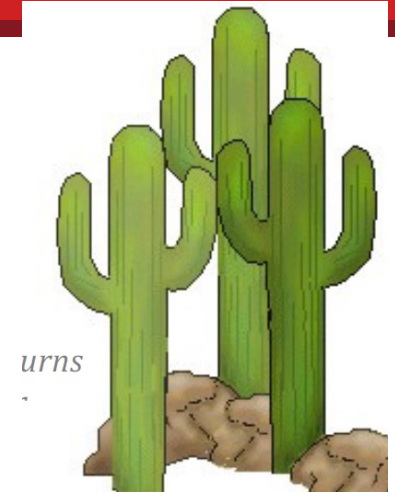


## ■ Qualifying Non-AZ Tax Refunds

- Taxable state refund from another state if reported in Fed AGI

# ■ Subtractions – 529 & 529A Plans

- Contributions to Qualified 529 College Plans
  - Any state qualifying plan
  - Maximum \$2,000 per beneficiary **per taxpayer**
  - Enter in same location (Subtractions) on AZ input screen



Contributions to 529 College Savings Plan

\$

Number of beneficiaries eligible for the 529 College Savings Plan

0

- \* Maximum deductible:
  - ✓ \$2,000 (S)
  - ✓ \$4,000 (MFJ, HoH, QSS)
  - ✓ Per beneficiary

# ■ Subtractions – 529 & 529A Plans

## ■ Contributions to Qualified 529A Plans

- Any state qualifying plan
- Maximum \$2,000 per beneficiary **per taxpayer**
- Enter in same location (Subtractions) on AZ input screen

Contributions to 529A ABLE Plan

\$

Number of beneficiaries eligible for the 529A ABLE Account

0

Partnership Income

\$ 

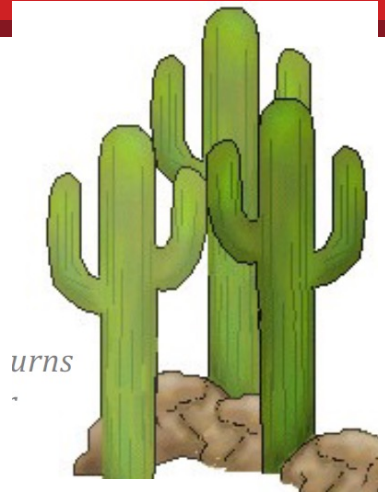
Net capital gain derived from exchange of legal tender

\$ 



### \* 529A ABLE:

- ✓ \$2,000 (S)
- ✓ \$4,000 (MFJ, HoH, QSS)
- ✓ Per beneficiary
- ✓ May contribute to both a 529 and a 529A
- ✓ For individuals with disabilities

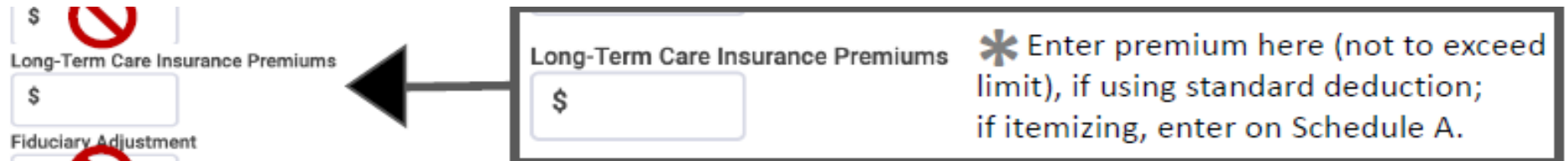
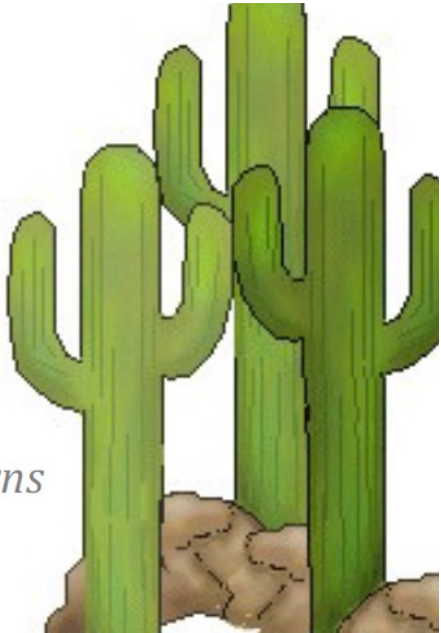


# Other Subtractions & AZ AGI

Exemptions	36	Other Subtractions from Income. Complete <i>Other Subtraction from Arizona Gross Income</i> schedule on page 6.....	36		00
	37	Subtract line 36 from line 35. Enter the difference .....	37		00
	38	Age 65 or over: Multiply the number in box 8 by \$2,100.....	38		00
	39	Blind: Multiply the number in box 9 by \$1,500 .....	39		00
	40	Other Exemptions. See instructions.....40E <input type="text"/> Multiply the number in box 40E by \$2,300.....	40		00
	41	Qualifying parents and grandparents: Multiply the number in box 11a by \$10,000.....	41		00
	42	<b>Arizona adjusted gross income:</b> Subtract lines 38 through 41 from line 37. If less than zero, enter "0".....	42		00

- 36 - Other Subtractions – see page 18 of the Cactus Guide
  - Long Term Care premiums – if using Standard Deduction
  - AZ Families Tax Rebate (if added to Federal AGI)
- **TaxSlayer** calculates exemption allowances for lines 38-41
  - Age, Blind, Other Exemptions & Ancestors

# Other Subtractions & AZ AGI



# ■ Deductions & Non-refundable Credits

- 43 Deductions: *Check box and enter amount.* See instructions ..... 43I  ITEMIZED...43S  STANDARD
- 44 If you checked box 43S and claim charitable contributions, check 44C  Complete page 3. See instructions.....
- 45 Arizona taxable income: Subtract lines 43 and 44 from line 42. If less than zero, enter "0".....
- 46 Compute the tax using amount on line 45 and Tax Tables X and Y or Optional Tax Tables.....
- 47 Tax from recapture of credits from Arizona Form 301, Part 2, line 32 .....
- 48 Subtotal of tax: Add lines 46 and 47. Enter the total .....
- 49 Dependent Tax Credit. See instructions .....
- 50 Family income tax credit (from the worksheet - see instructions) .....
- 51 Nonrefundable Credits from Arizona Form 301, Part 2, line 64.....
- 52 **Balance of tax:** Subtract lines 49, 50 and 51 from line 48. If the sum of lines 49, 50 and 51 is greater than line 48, enter "0" .....

## ■ TaxSlayer will determine the better of either Itemized or Standard deduction

- Adjusts for Federal Medical reduction

## ■ Line 44 – TaxSlayer calculates from Federal Charitable cash & non-cash entries

## ■ Line 51 – Arizona Tax Credits – Form 301 – Coming Up Next

# Charitable Donation Increase Worksheet

Complete the worksheet to determine your allowable increased standard deduction for charitable contributions.

1C	2023 Gifts by cash or check.....	1C		00
2C	2023 Other than by cash or check.....	2C		00
3C	Carryover from prior year.....	3C		00
4C	Add lines 1C through 3C and enter the total.....	4C		00
5C	Total charitable contributions made in 2023 for which you are claiming a credit under Arizona law for the current (2023) or prior (2022) tax year.....	5C		00
6C	Subtract line 5C from line 4C and enter the difference. If less than zero, enter "0".....	6C		00
7C	Multiply line 6C by 31% (.31) and enter the result.....	7C		00

**NOTE 1:** You must reduce your contribution amount by the total charitable contributions you made during January 1, 2023 through December 31, 2023 for which you are claiming an Arizona tax credit under Arizona law for the current tax year return or claimed on the prior tax year return. Enter this amount on 5C.

**NOTE 2:** If you itemized deductions on your federal return (1040 Schedule A) and were required to adjust the amount of your allowable contributions on your federal 1040 Schedule A for the amount claimed as a tax credit on your Arizona income tax return, include the amount of the federal contribution adjustment to line 1C and enter the amount of the Arizona tax credit on line 5C.

# Withholding & Payments – Refundable Credits

53	2023 AZ income tax withheld.....	53		00
54	2023 AZ estimated tax payments.. 54a <input type="text" value="00"/> Claim of Right 54b <input type="text" value="00"/> Add 54a and 54b. 54c	54c		00
55	2023 AZ extension payment (Form 204) .....	55		00
56	Increased Excise Tax Credit (from the worksheet - see instructions) .....	56		00
57	Property Tax Credit from Arizona Form 140PTC .....	57		00
58	Other refundable credits: Check the box(es) and enter the total amount..... 581 <input type="checkbox"/> 308-I 582 <input type="checkbox"/> 334 583 <input type="checkbox"/> 349	58		00
59	<b>Total payments and refundable credits:</b> Add lines 53 through 58. Enter the total.....	59		00
60	<b>TAX DUE:</b> If line 52 is larger than line 59, subtract line 59 from line 52. Enter amount of tax due. Skip lines 61, 62 and 63.....	60		00
61	<b>OVERPAYMENT:</b> If line 59 is larger than line 52, subtract line 52 from line 59. Enter amount of overpayment.....	61		00
62	Amount of line 61 to be applied to 2024 estimated tax.....	62		00
63	Balance of overpayment: Subtract line 62 from line 61. Enter the difference .....	63		00

- If taxpayer(s) qualify – must enter Form 140PTC information
  - Owners & Renters eligible

# Statistical & Banking

<b>64 - 74 Voluntary Gifts to:</b>		Solutions Teams Assigned to Schools..... <b>64</b>		00	Arizona Wildlife..... <b>65</b>		00	
Child Abuse Prevention .....	<b>66</b>		00	Domestic Violence Services..... <b>67</b>		00	Political Gift..... <b>68</b>	
Neighbors Helping Neighbors..	<b>69</b>		00	Special Olympics..... <b>70</b>		00	Veterans' Donations Fund <b>71</b>	
I Didn't Pay Enough Fund.....	<b>72</b>		00	Sustainable State Parks and Road Fund..... <b>73</b>		00	Spay/Neuter of Animals.. <b>74</b>	
<b>75</b> Political Party (if amount is entered on line 68 - check only one): <b>751</b> <input type="checkbox"/> Democratic <b>752</b> <input type="checkbox"/> Libertarian <b>753</b> <input type="checkbox"/> Republican								
<b>76</b> Estimated payment penalty .....							<b>76</b>	00
<b>77</b> <b>771</b> <input type="checkbox"/> Annualized/Other <b>772</b> <input type="checkbox"/> Farmer or Fisherman <b>773</b> <input type="checkbox"/> Form 221 included								
<b>78</b> Add lines 64 through 74 and 76; enter the total.....							<b>78</b>	00
<b>79</b> REFUND: Subtract line 78 from line 63. If less than zero, enter amount owed on line 80 .....							<b>79</b>	00
Direct Deposit of Refund: <b>Check box 79A</b> if your deposit will be ultimately placed in a foreign account; see instructions. <b>79A</b> <input type="checkbox"/>								
<input checked="" type="checkbox"/> <b>98</b>	<input type="checkbox"/> Checking or	ROUTING NUMBER		ACCOUNT NUMBER				
<input type="checkbox"/> Savings								
<b>80</b> AMOUNT OWED: Add lines 60 and 78. Make check payable to Arizona Department of Revenue; write your SSN on payment; and include with your return.....							<b>80</b>	00

- Enter Voluntary Contributions section
  - Entry Reduces Refund or Increases Tax Owed

# ■ AZ Tax Input Questions

**Questions?**



**Comments...**





# ■ Arizona Tax Credits – Form 301

Balance of Tax	43 Deductions: <i>Check box and enter amount.</i> See instructions ..... 43I <input type="checkbox"/> ITEMIZED...43S <input type="checkbox"/> STANDARD 43		00
	44 If you checked box 43S and claim charitable contributions, check 44C <input type="checkbox"/> Complete page 3. See instructions..... 44		00
	45 Arizona taxable income: Subtract lines 43 and 44 from line 42. If less than zero, enter "0"..... 45		00
	46a Compute the tax using amount on line 45 and Tax Tables X and Y or Optional Tax Tables..... 46a		00
	46b If line 45 is \$250,001 or more (single/mfs) or \$500,001 or more (mfj/hoh) compute the tax surcharge. Enter the amount.. 46b		00
	47 Tax from recapture of credits from Arizona Form 301, Part 2, line 30 ..... 47		00
	48 Subtotal of tax: Add lines 46a, 46b and 47. Enter the total..... 48		00
	49 Dependent Tax Credit. See instructions ..... 49		00
	50 Family income tax credit (from the worksheet - see instructions) ..... 50		00
	51 Nonrefundable Credits from Arizona Form 301, Part 2, line 61..... 51		00
52 Balance of tax: Subtract lines 49, 50 and 51 from line 48. If the sum of lines 49, 50 and 51 is greater than line 48, enter "0" ..... 52		00	

## ■ Line 51 – Nonrefundable Arizona Tax Credits – Form 301

- Form 301 is a summary tax form that captures individual qualified contribution tax credits
- These are “non-refundable”, so they only offset taxes owed

# Form 301 Tax Credits Capture Form

- 
- 7 Credit for Contributions to Qualifying Charitable Organizations.. Form 321 ▶
  - 8 Credit for Contributions Made or Fees Paid to Public Schools.... Form 322 ▶
  - 9 Credit for Contributions to Private School Tuition Organizations Form 323 ▶
  - 10 Agricultural Pollution Control Equipment Credit ..... Form 325 ▶
  - 11 Credit for Donation of School Site ..... Form 331 ▶
  - 12 Credit for Employing National Guard Members..... Form 333 ▶
  - 13 Credit for Business Contributions by an S Corporation to  
School Tuition Organizations - Individual ..... Form 335-I ▶
  - 14 Credit for Solar Energy Devices – Commercial and  
Industrial Applications..... Form 336 ▶
  - 15 Credit for Investment in Qualified Small Businesses..... Form 338 ▶
  -  16 Credit for Donations to the Military Family Relief Fund ..... Form 340 ▶
  - 17 Credit for Business Contributions by an S Corporation to School  
Tuition Organizations for Displaced Students or Students with  
Disabilities - Individual ..... Form 341-I ▶
  - 18 Renewable Energy Production Tax Credit..... Form 343 ▶
  - 19 Credit for New Employment..... Form 345 ▶
  - 20 Additional Credit for Increased Research Activities for  
Basic Research Payments ..... Form 346 ▶
  -  21 Credit for Contributions to Certified School Tuition Organizations  
(for contributions that exceed the allowable credit on Arizona Form 323). Form 348 ▶
  -  22 Credit for Contributions to Qualifying Foster Care Charitable  
Organizations ..... Form 352 ▶

## ■ Popular Tax Credits

- 321 - Qualifying Charitable Organizations
- 322 - Public Schools
- 323/348 -Private School Tuition Organizations
- 340 - Military Family Relief
- 352 - Foster Care Organizations

AZ Legislature determines qualifying amounts and other limitations

# Arizona Non-Refundable Tax Credits



CREDIT TYPE	AZ FORM	Single/H of H Maximum	MFJ Maximum	Donation Deadline
Credit Recapture Form	Form 301			
Taxes Paid to another State/Country (same income)	Form 309			
Qualifying Charitable Organizations	Form 321	\$421	\$841	4/15/2024
Contributions or Fees to Public Schools	Form 322	\$200	\$400	4/15/2024
Contributions to Private School Tuition Organizations	Form 323	\$655	\$1,308	4/15/2024
Contributions to Military Family Relief Fund	Form 340	\$200	\$400	12/31/2023
Contributions to Certified School Tuition Organizations (complete Form 323 first)	Form 348	\$652	\$1,301	4/15/2024
Contributions to Qualifying Foster Care Organizations	Form 352	\$526	\$1,051	4/15/2024

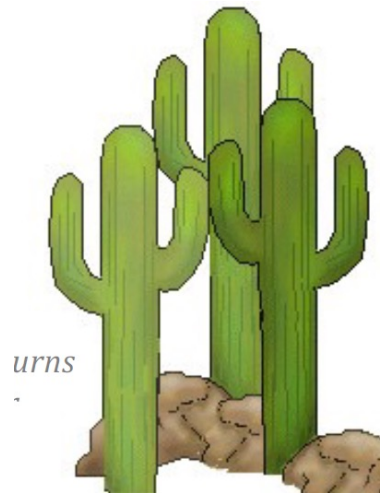
The date of the contributions is required on each Tax Credit Form. Taxpayer may NOT claim both a Tax Credit & Itemized Deduction for the same contribution.



# Arizona Non-Refundable Tax Credits

Taxpayer(s) may ONLY get a Tax Credit **UP TO** the **Qualifying Amount** shown for each Tax Credit Form. Unused **Qualifying Amounts** may carry forward. You need to know the **Qualifying Amounts**.

The Cactus Guide has an extensive menu of Arizona Tax Credits and Qualifying Requirements



urns

<u><a href="#">Credits Menu</a></u> .....	
<u><a href="#">Property Tax Credit (Form 140PTC)</a></u> .....	
<u><a href="#">PTC Form 201</a></u> .....	
<u><a href="#">Qualified Charitable Credits (Form 321)</a></u> .....	
<u><a href="#">Public School Credit (Form 322)</a></u> .....	
<u><a href="#">School Tuition Organizations (Form 323)</a></u> .....	
<u><a href="#">Certified Tuition Organizations (Form 348)</a></u> .....	
<u><a href="#">Foster Care Credit (Form 352)</a></u> .....	
<u><a href="#">Military Family Relief Fund (Form 340)</a></u> .....	
<u><a href="#">Increased Excise Tax Credit</a></u> .....	
<u><a href="#">Qualified Charitable Distribution</a></u> .....	
<u><a href="#">Credit for Taxes Paid to Another State</a></u> .....	



# QCO & QFCO Lists and Codes

For a list of Qualifying Charitable Organizations (QCO) or Qualified Foster Care Organizations (QFCO) go to the Arizona Department of Revenue

- <https://azdor.gov/tax-credits/contributions-qcos-and-qfcos>, **or**
- log into [www.aztax-aide.org](http://www.aztax-aide.org) > Tax Preparation > Arizona Taxes, then Tax Credits:
- Use 2024 code for donations made after 12/31/2023,
- See instructions at end of list for Umbrella organizations



## List of Qualifying Charities

2023	<a href="#">QCO</a> 	<a href="#">QFCO</a> 
2022	<a href="#">QCO</a> 	<a href="#">QFCO</a> 
2021	<a href="#">QCO</a> 	<a href="#">QFCO</a> 
2020	<a href="#">QCO</a> 	<a href="#">QFCO</a> 
2019	<a href="#">QCO</a> 	<a href="#">QFCO</a> 

### ▼ Tax Credits

1. [AZ Carryover Assistant explanation](#)  
— [Carryover Assistant Tool](#)
2. [AZ Charity and TS Entries TY22](#)
3. [AZ DOR Codes & Credits link](#)
4. [AZ QCD Donations v2 TY22](#)
5. [Charity Quick Check Chart](#)
6. Code for Tax Credits
  - [Form 321, Charities](#)
  - [Form 322, Schools](#)
  - [search by name or location](#)
  - [Form 323, Tuition Orgs](#)
  - [Form 352, Foster Care](#)



# Contributions or Fees Paid to Public Schools

- The public-school credit is for cash contributions or fees paid by the taxpayer to an Arizona public school. Fees paid for a meal or meal card do not qualify as a contribution.
- Fees include Extracurricular activities
- Charter Schools are included
- Taxpayer should have a receipt and must enter the 9-digit CTDS code
  - Available on [aztax-aide.org](http://aztax-aide.org) website
- Taxpayers who make qualified contributions or fees to public school between January 1, 2024, and April 15, 2024, may claim the credit on either their 2022 or 2023 tax return.



# Public School Credit

- Remember to include the CTDS code assigned to the school when claiming the public-school credit.
- CTDS stands for *County Code, Type Code, District Code and Site Number*.
- Codes are available at
  - [https://azdor.gov/sites/default/files/media/PUBLICATION\\_ADESchoolListing.pdf](https://azdor.gov/sites/default/files/media/PUBLICATION_ADESchoolListing.pdf)
  - [www.aztax-aide.org](http://www.aztax-aide.org)
  - Log in > Tax Preparation > Arizona Taxes > Tax Credits > #3 School Codes



List of Schools and CTDS - County Code, Type Code, and District Code & Site Number

CTDS	School Name
108731101	A CHILD'S VIEW SCHOOL-CLOSED
120201114	A J MITCHELL ELEMENTARY SCHOOL
100206038	A. C. E.
078707202	AAEC - PARADISE VALLEY
078993201	AAEC - SMCC CAMPUS



# Contributions to School Tuition Organizations

- For 2023, the private school tuition credit allowed for Single, H of H & MFS is **\$655**. For MFJ it is **\$1,308**
- TP's who donate between January 1, 2024, and April 15, 2024, may claim the allowable tax credit on either their 2022 or 2023 tax return.
- Arizona publication 707 provides information & answers regarding both the private and the public-school credits.
- No special codes are necessary to claim this credit.



## Contributions to School Tuition Organizations



AZ  
website

- Taxpayer may claim an additional credit for a donation to a school tuition organization if the amount contributed is greater than the maximum amount that can be claimed on Form 323.
- The excess credit amount that may be taken for tax year 2023 is \$652 Single, H of H & MFS and \$1,301 for MFJ.
- This excess tax credit to *certified school tuition organizations* is claimed on [Form 348](#).
- TP's who make contributions between January 1, 2024 & April 15, 2024, may claim the allowable credit on either their 2022 or 2023 tax return.



# Contributions to Military Family Relief Fund

- There are 2 Funds , Pre-9/11 and Post 9/11. The receipts show identify which fund. If not, use Post 9/11.
- Taxpayer must make the donation on or before 12/31/2023.
- There is NO Carryforward of excess donation.
- Arizona allows maximum donations annually of \$1M. Once the Fund reaches \$1M, further donations do not qualify of the Tax Credit. The receipt will indicate if it qualifies.
- Qualified amount for TY23 is \$200 (S, Head of Household, and MFS) and \$400 for MFJ.
- No special codes are necessary to claim this credit.



# AZ Tax Credit Carryover

- Most AZ Tax Credits include a Credit Carryover
- Use prior year tax return to verify: (or Notes)
  - Total Qualified Tax Credit allowed (by year)
  - Tax Credit Used (by year)
- Each Tax Credit Form (321, 322, 323, 348 & 352) shows the carryover information in Part 2
- Form 301, Part 2 shows the amount of each Tax Credit used to offset taxes due



# AZ Tax Credit Carryover

**Nonrefundable Tax Credits Used This Taxable Year:** Enter amounts actually used from Part 1.

36	Military Reuse Zone Credit.....	Form 306 ▶	36		00
37	Credit for Increased Research Activities – Individuals.....	Form 308-I ▶	37		00
38	Credit for Taxes Paid to Another State or Country.....	Form 309 ▶	38		00
39	Credit for Solar Energy Devices .....	Form 310 ▶	39		00
40	Agricultural Water Conservation System Credit .....	Form 312 ▶	40		00
41	Credit for Solar Hot Water Heater Plumbing Stub Outs and Electric Vehicle Recharge Outlets .....	Form 319 ▶	41		00
42	Credit for Contributions to Qualifying Charitable Organizations.....	Form 321 ▶	42		00
43	Credit for Contributions Made or Fees Paid to Public Schools.....	Form 322 ▶	43		00
44	Credit for Contributions to Private School Tuition Organizations.....	Form 323 ▶	44		00

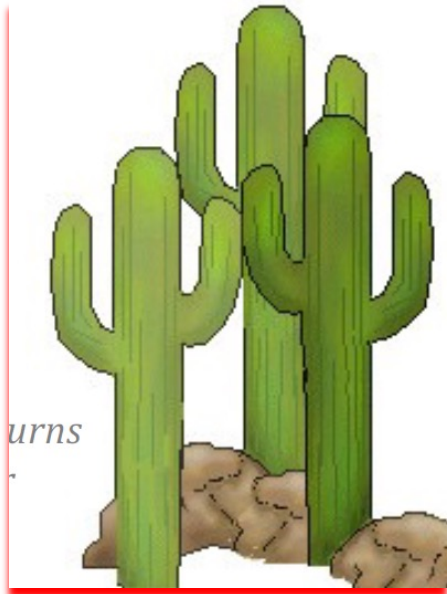
AZ Tax Credit Carryover tool is available on the AZ website.



# Questions?



# ■ Arizona Property Tax Credit – 140PTC



## Arizona Cactus Guide is an excellent resource

- Page 22 – Start the 140PTC
- Page 23 – Qualifying Questions
- Page 24 – Complete if Taxpayer is a dependent (on another return)
- Page 25 – Household Income – if Taxpayer does not live alone
- Page 26 – Adjustments to Household Income
- Page 27 & 28 – Property Tax paid on Owned Property
- Page 29 – Renter's Form 201 (from landlord)
- Pages 30 & 31 – Input of Form 201