

ARIZONA FAMILIES TAX REBATE 2023

Arizona Families Tax Rebate for TY23

As part of the AZ Families Tax Rebate program, the Arizona Department of Revenue (DOR) issued 743,000 payments to qualifying families via direct deposit or by mail starting on October 30, 2023, and all payments were sent as of November 15, 2023.

Full-year residents who **paid** a minimum of \$1 of AZ Income Tax in tax years 2019, 2020 or 2021 and claimed a dependent tax credit in tax year 2021 (filed in 2022) qualify for the rebate. The rebates were for a maximum of 3 children. Payments were \$250 per child younger than 17, and \$100 per child 17 and older.

If taxpayers believe they qualify and they did not get a rebate, they must submit a letter to the AZ DOR and provide their names and social security numbers to request a rebate.

The IRS has determined that these rebates represent Federal taxable income and must be entered on the taxpayer's Federal tax return. The AZ DOR will issue a 1099-MISC for the rebate amount no later than January 31, 2024. If a taxpayer receives a 1099-MISC, but does not recall the payment, they will need to contact AZ DOR for more information.

Arizona has determined the rebate is not taxable for Arizona residents. AARP Tax-Aide will enter a "Subtraction from AZ Income" for the 1099-MISC amount entered in the Federal return.

TSO Input

In the Arizona Return, select SUBTRACTIONS FROM INCOME. **CACTUS GUIDE-page 16**

Arizona Return

Basic Information	BEGIN
Additions to Income	BEGIN
Subtractions from Income	BEGIN

At the bottom of the screen, click BEGIN on "Other Subtractions From Income."

CACTUS GUIDE-page 16.

Other Subtractions From Income	BEGIN
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Enter the amount of the 1099-MISC entered in the Federal return into the "Other Adjustments" box at the bottom of the TaxSlayer screen. **CACTUS GUIDE-page 18**

Other Adjustments (Cactus Guide will be updated as needed).

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