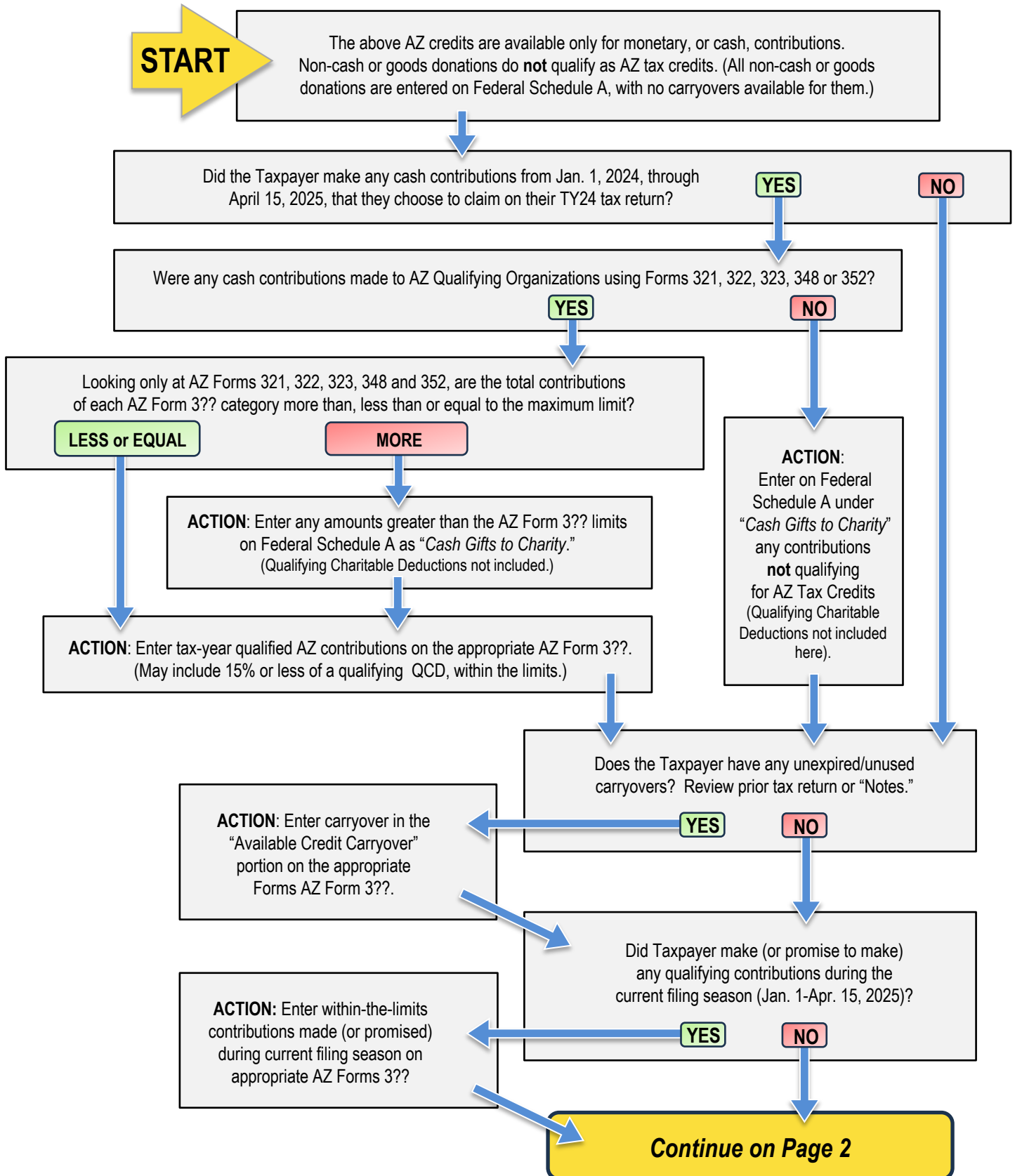


# Entering AZ Tax Credits 321 • 322 • 323 • 348 • 352 and other charitable contributions for TY24



# Entering Contributions and AZ Tax Credits (Continued)

## From Page 1

Have all other necessary entries have been made in TaxSlayer, including possible entries on the AZ Standard Deductions page?

YES

NO

Go back to tax return and add the needed entries.

Determine if there will be a tax refund or if taxes are owed by checking the upper right "Return Summary, State – AZ for current refund/owe status." Alternatively, you may also determine the refund/owe status by comparing the taxpayer's total qualifying contributions (AZ Form 301, line 25) to the tax liability (AZ Form 301, line 33).

Hint: Check AZ Form 301, line 60, to see if full amount of AZ Tax Credits were used.

REFUND OR \$0 DUE  
(Green figure)

TSO Refund/Owe Summary

TAXPAYER OWES  
(Black figure)

- TaxSlayer will deduct and use AZ Credits before withholding or payments.
- Arizona law does not specify the order of usage, but TSO will use them in ascending form number order.
- If multiple contribution possibilities exist, the Taxpayer chooses (with counselor guidance) which tax credits to claim to offset the tax liability and which to carry over for up to five years.
- Careful documentation of the taxpayer's choice is required in notes or worksheets.
- Watch for expiring credits and for credit categories that do not carry over.
- Entered data on the AZ return will not need to be changed.

TAXPAYER  
MAKES CHOICE

Taxpayer promises to make additional contributions (within individual form limits) towards the amount due or a \$0 balance.

**ACTION:** Preparer enters new after-tax-year contribution on appropriate AZ Form 3???. (No adjustment to Federal return is needed)

Taxpayer pays amount due via direct debit or by mailing voucher AZ Form 140-V.

Continue on Page 3

From Page 2

## IF STANDARD DEDUCTION

**TaxSlayer – Actions:**  
*(Applies only to AZ Forms 321, 322, 323, 348 & 352)*

- 1) Enter the sum of the above credits that were paid during 2024 into the Arizona return box labeled > Standard Deduction > “Additional Eligible Cash Charitable Contribution NOT Claimed on the Federal Schedule A.”
- 2) Do not include in this box any carryovers, prior year contributions that were paid Jan. 1-April 15, 2024, but **claimed** on the 2023 taxes, or contributions intended to be used on a 2025 return.

## IF ITEMIZED DEDUCTIONS

**TaxSlayer – Actions:**  
*(Applies only to AZ Forms 321, 322, 323, 348 & 352)*

- 1) Enter the sum of the above credits **paid** in 2024 (as a **negative** number), into the Arizona return > Itemized Deductions > “Amount of Charitable Contributions that were claimed as Arizona credit(s)” box. Include 2024 and 2023 credits. Do not include carryovers or contributions intended to be used on a 2025 return
- 2) Enter the sum of the above credits paid during 2024, those paid Jan. 1-April 15, 2024, plus carryovers, but no contributions intended to be used on a 2025 return, into the Arizona return > Itemized Deductions > “Amount of State and Local Taxes Claimed on Federal Schedule A, before limitation, that were claimed as Arizona credit(s).” (Same sum as was added into Federal Schedule A “Additional State and Local Taxes” entry box.)

**Notes and Documentation**

**ACTION:** Documentation **must** be made for any contributions not used or contributions promised. Examples:

- In TaxSlayer, list in TSO Notes any contributions that will carry over to the next tax year, for example: “AZ Form 3???: TY20XX Contributed \$XXX, Used \$YYY”  
For contributions promised: “Promised AZ Form 3???: Taxpayer promised AZ Form 3?? \$XXX contribution before April 15, 2025. Verify before preparing and filing next year’s return, then enter as State Taxes Paid.”
- In addition, fill out a Tax Credit Carryover Worksheet completely or make a printout of the Carryover Tool, and add it to the Taxpayer’s return for due diligence documentation.

**ACTION:** If taxpayer has promised to make contributions after the return is filed, remind them that they must verify the contribution by bringing the receipt(s) next year.

**Tax Credits Done!**