

VITA

Volunteer Income Tax Assistance

and

TCE

Tax Counseling for the Elderly

Quick Reference Guide Arizona Income Tax Returns
2025

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Mailing Addresses

Federal Individual Income Tax Return - If the taxpayer lives in Arizona

and is filing a Form ...	and is <u>NOT</u> ENCLOSING A PAYMENT, then use this address ...	and is ENCLOSING A PAYMENT, then use this address ...
1040 <i>(all filers must use Form 1040)</i>	Department of the Treasury Internal Revenue Service Austin, TX 73301-0002	Internal Revenue Service P.O. 802501 Cincinnati, OH 45280-2501
1040V	N/A	Internal Revenue Service P.O. Box 802501 Cincinnati, OH 45280-2501

Arizona Individual Income Tax Return

Plain Paper Returns

Expecting a Refund or Paying No Tax	Return Mailed with Payment
Arizona Department of Revenue P.O. Box 52138 Phoenix, AZ 85072-2138	Arizona Department of Revenue P.O. Box 52016 Phoenix, AZ 85072-2016

Barcoded Returns

Expecting a Refund or Paying No Tax	Return Mailed with Payment
Arizona Department of Revenue P.O. Box 29205 Phoenix, AZ 85038-9205	Arizona Department of Revenue P.O. Box 29204 Phoenix, AZ 85038-9204

Tax Help and Walk-In Services

TELEPHONE

Individual and Corporate Income Tax:

Phoenix: (602) 255-3381

Toll-free from area codes 520 and 928: (800) 352-4090

FORM ORDERS

Options to order forms via fax or by telephone have been discontinued. All Arizona tax forms, including fillable and barcode, are available on our website at www.azdor.gov.

Arizona Tax Booklet X contains all tax forms and instructions. This is available to download for free on our website at www.azdor.gov/forms.

WALK-IN SERVICES

We have three office locations. Hours of operation for Phoenix and Tucson are Monday through Friday, 8 a.m. – 5 p.m. Hours of operation for Mesa are Monday through Thursday, 7 a.m. - 6 p.m. and Friday, 8 a.m. - noon. Arizona tax forms are available at all locations.

Taxpayer assistance is available to customers at the Arizona Department of Revenue's Phoenix and Tucson locations. ADOR's Mesa location is limited to providing service for licensing of businesses and making payments. Taxpayers who require assistance with a billing they received or other tax-related issues should be referred to the Phoenix or Tucson location.

Phoenix

1600 West Monroe
Phoenix, AZ 85007

Mesa (East Valley Office)

55 North Center
Mesa, AZ 85201

Tucson

400 West Congress
Tucson, AZ 85701

Websites

www.azdor.gov

www.AZTaxes.gov

Individual Income Tax – 2025 Highlights

Due Date for Calendar Year Filer

Your 2025 individual income tax return is due by midnight on April 15, 2026. If you file under a valid extension, your extended due date to file your income tax return is October 15, 2026.

Arizona 2025 Changes

Some of these changes include:

- **2025 Arizona Standard Deduction Amounts Adjusted**

The 2025 Arizona standard deduction amounts are:

- \$15,750 for a single taxpayer or a married taxpayer filing a separate return;
- \$31,500 for a married couple filing a joint return; and
- \$23,625 for individuals filing a head of household return.

- **Change to Standard Deduction Increase for Charitable Contributions**

For taxpayers who do not elect to take the itemized deduction on their 2025 Arizona income tax return and elect to take the standard deduction, the allowable Standard Deduction Increase was modified. For tax year 2025, the allowable portion of your charitable contributions used to compute your Standard Deduction Increased was increased from 33% to 34% of the qualified charitable contributions made during the tax year. Taxpayers must complete page 3 of their personal income tax form to claim the Standard Deduction Increase. (Arizona Form 140, Form 140PY or Form 140NR).

- **2025 Tax Rate of 2.5% for All Income Levels and Filing Status**

The Optional Tax Table and the X and Y Tax Table are obsolete.

- **Credit for Contributions to Private School Tuition Organizations (Form 323)**

The allowable current year credit for contributions to private school tuition organizations was adjusted for inflation purposes. For 2025, the maximum current year credit is:

- \$769 for single and head of household taxpayers.
- \$1,535 for married taxpayers filing a joint return.

- **Credit for Contributions Made to Certified School Tuition Organizations (Form 348)**

The allowable current year credit for contributions to a certified school tuition organization was adjusted for inflation purposes. For 2025, the maximum current year credit is:

- \$766 for single and head of household taxpayers.
- \$1,527 for married taxpayers filing a joint return.

- **Credit for Contributions to Qualifying Charitable Organizations**

This individual income tax credit is available for contributions to Qualifying Charitable Organizations that provide immediate basic needs to residents of Arizona who receive temporary assistance for needy families (TANF) benefits, are low income residents of Arizona, or are individuals who have a chronic illness or physical disability. The tax credit is claimed on [Form 321](#).

The maximum QCO credit donation amount for 2025:

\$495 single, married filing separate or head of household; \$987 married filing joint.

The maximum QCO credit donation amount for 2026:

\$506 single, married filing separate or head of household; \$1,009 married filing joint.

Please Note: Arizona law allows QCO donations made during 2025 or donations made from January 1, 2026 through April 15, 2026 to be claimed on the 2025 Arizona income tax return. The maximum credit that can be claimed on the 2025 Arizona return for donations made to QCO's is \$495 for single, married filing separate or head of household taxpayers, and \$987 for married filing joint taxpayers. If a taxpayer makes a QCO donation from January 1, 2026 through April 15, 2026 and wants to claim the higher 2026 maximum credit amount, the taxpayer will need to claim the credit on the 2026 Arizona return filed in 2027.

- **Credit for Contributions to Qualifying Foster Care Charitable Organizations**

This individual income tax credit is available for contributions to Qualifying Foster Care Charitable Organizations that provide immediate basic needs to residents of Arizona who receive temporary assistance for needy families (TANF) benefits, are low income residents of Arizona, or are individuals who have a chronic illness or physical disability, and provide immediate basic needs to at least 200 qualifying individuals in the foster care system. The tax credit is claimed on [Form 352](#).

The maximum QFCO credit donation amount for 2025: \$618 single, married filing separate or head of household; \$1,234 married filing joint

The maximum QFCO credit donation amount for 2026: \$632 single, married filing separate or head of household; \$1,262 married filing joint.

Please Note: Arizona law allows QFCO donations made during 2025 or donations made from January 1, 2026 through April 15, 2026 to be claimed on the 2025 Arizona income tax return. The maximum credit that can be claimed on the 2025 Arizona return for donations made to QFCO's is \$618 for single, married filing separate and head of household taxpayers, and \$1,234 for married filing joint taxpayers. If a taxpayer makes a QFCO donation from January 1, 2026 through April 15, 2026 and wants to claim the higher 2026 maximum credit amount, the taxpayer will need to claim the credit on the 2026 Arizona return filed in 2027.

- **Credit for Contributions Made or Fees Paid to Public Schools (Form 322) amounts remained the same for 2025:**

\$200 single, married filing separate or head of household; \$400 married filing joint.

Arizona Conformity for 2025...

As a rule, the starting point for your Arizona return is your federal adjusted gross income. To take itemized deductions, you must start with the amount shown on the federal Schedule A. This is the case for 2025, except for changes Congress made to the federal tax code during 2025, and the following applies:

1. The changes affect how you figure your federal adjusted gross income.
AND/OR
2. The changes affect how you figure your itemized deductions.

When federal changes are made, the Arizona legislature must adopt those changes if the Arizona starting points are kept the same. The legislature will address this issue when it is in session during 2025. The Arizona Department of Revenue must publish these forms before this issue is addressed by the legislature. When ADOR went to print, Arizona had not yet adopted any federal tax law changes made after January 1, 2025.

What does this mean to you? It means that if any of the federal law changes made after January 1, 2025 apply to your 2025 return, you can opt to file your 2025 return using one of the following methods:

1. You can wait and file your 2025 return after this issue has been addressed.
To do this, you may need to ask for a filing extension. You must pay 90% of the tax due by the due date of the return before any extension.
2. You can file your 2025 return, assuming that the federal law changes will be adopted.
The 2025 tax forms make these assumptions.

If you opt for method 2, one of the following will apply:

- If Arizona adopts those changes, you do not have to do anything more.
 - If Arizona does not adopt all federal changes, you may need to amend your 2025 Arizona return. Your amended return will have to show the difference between the Arizona law and the federal law. If this happens, we will post more details on our Conformity web page at <https://azdor.gov/legal-research/conformity-irc>.
 - Generally, no penalties or interest will be assessed on these amended returns if you follow the Department's instructions and pay any tax due when you file your original 2025 return, and you file and pay the required amended return by the extended due date of your 2026 return.
3. You can file your 2025 return, assuming that we will not adopt the federal law changes.

If you opt for this method, you will have to do the following:

- You will have to research all of the federal changes made after January 1, 2025.
- You will have to figure out if any of those changes apply to you.
- You will have to figure out how to make adjustments for those changes on your return.

If you opt for method 3, one of the following will apply:

- If Arizona does not adopt those changes, you do not have to do anything more.
- If Arizona adopts those changes, you may need to amend your 2025 Arizona return. Your amended return will have to show the difference between what you reported and what you should have reported. If this happens, we will post more details on our Conformity web page at <https://azdor.gov/legal-research/conformity-irc>.



Taxation of Native Americans

Taxpayers Have to File if They are an American Indian

Taxpayers must file if they meet the Arizona filing requirements unless **all** the following apply:

- They are an enrolled member of an Indian tribe.
- They live on the reservation established for that tribe.
- They earned **all** income on that reservation.

Taxpayers Have to File if They are the Spouse of an American Indian and Are Not an Enrolled Indian

Taxpayers must file if they meet the Arizona filing requirements. The Department has issued a ruling on the tax treatment of spouses of American Indians. This ruling is ITR 96-4.

Certain wages of American Indians are reported on Arizona Form 140, page 1, line 31.

Arizona Income Tax Ruling (ITR) 96-4

As a Native American, taxpayers must file an Arizona income tax return if they meet the Arizona filing requirements unless **all** of the following apply:

1. The taxpayer is an enrolled member of an Indian tribe.
2. The taxpayer lives on the reservation established for that tribe.
3. The taxpayer earned **all** income on that reservation.

Any income derived from non-reservation sources by a Native American is subject to the Arizona state income tax.

Arizona will not impose a tax on a Native American's income derived from reservation sources if the individual lives on the reservation and the Native American is an affiliated member of the tribe for whose benefit that reservation was established.

Income of a non-affiliated Native American or a non-Native derived from reservation or non-reservation sources while working and living **on or off** a reservation is subject to tax in the same manner as all other Arizona residents.

Income of a non-Native American spouse or a non-affiliated spouse of an affiliated Native American is subject to the Arizona state income tax.

Generally, for a married couple comprised of an affiliated Native American and a non-Native or non-affiliated Native, Arizona community property laws are to be applied as follows:

- a. If the couple files a joint Arizona income tax return, to the extent included in Arizona gross income, the following income shall be subtracted in determining Arizona adjusted gross income:
 - (1) The income earned by the affiliated Native American from the reservation sources while living on the reservation;

And

(2) One-half of the non-Native spouse's or non-affiliated Native American spouse's community income earned from reservation sources while living on the reservation.

b. If the couple chooses to file married filing separate returns, to the extent included in each spouse's respective Arizona gross income, the following shall be subtracted in determining Arizona adjusted gross income:

(1) For the affiliated Native American, the amount of reservation source income they earned while living and working on the reservation plus the amount of reservation source community income earned by their spouse while living on the reservation.

(2) For the non-affiliated Native or non-Native American, the amount of reservation source community income earned by the affiliated Native American spouse while living on the reservation.

c. Full deductions and dependent exemptions are allowed based on the Income Tax Code.

For purposes of this ruling, an affiliated Native American includes any individual who has been adopted into the tribe and who has attained full and unrestricted membership privileges in that tribe. In order for an adopted Native American to qualify for the income tax exemption, the individual must provide acceptable proof of tribal membership.



Federal Adjusted Gross Income

Arizona uses federal adjusted gross income as a starting point to determine Arizona taxable income. A taxpayer's federal adjusted gross income is their Arizona gross income. The following are examples of income to consider in determining if a return must be filed:

Alimony	Dividends	Notary Fees
Annuities	Employee Bonuses	Partnership Income (Taxpayer's Share)
Awards	Estate & Trust Income	Pension
Back Pay	Farm Income	Prizes
Bonuses	Fees	Rent (Gross Rent)
Breach of Contract Damages	Gain from Sale of Property or Securities	Rewards
Business Income	Gambling Winnings	Royalties
Commissions	Hobby Income	Salaries
Compensation for Personal Services	Interest	Severance Pay
Debts Forgiven	I.R.A. Distributions	Supplemental Unemployment Benefits
Director's Fees	Jury Duty Fees	Tips & Gratuities
Disability Benefits (Employer Funded)	Military Pensions	Unemployment Compensation
Wages		



Arizona Filing Requirements

How Taxpayers Know if They Must File an Income Tax Return

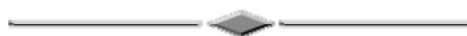
These rules apply to all Arizona taxpayers:	
Taxpayers must file if they are:	AND the gross income is at least:
• Single	\$ 15,750
• Married filing jointly	\$ 31,500
• Married filing separately	\$ 15,750
• Head of household	\$ 23,625
If an Arizona resident, taxpayers must report income from all sources. This includes out-of-state income.	
To see if they have to file, taxpayers will figure their gross income the same as they would figure gross income for federal income tax purposes. Then, taxpayers should exclude income Arizona law does not tax. Income Arizona law does not tax includes: • Interest from U.S. Government obligations. • Social security retirement benefits received under Title II of the Social Security Act. • Benefits received under the Railroad Retirement Act. • Pay received for active service as a member of the Reserves, National Guard or the U.S. Armed Forces. • Benefits, annuities and pensions as retired or retainer pay of the uniformed services of the United States.	
NOTE: Even if a taxpayer does not have to file, that individual must still file a return to get a refund of any Arizona income tax withheld.	



WHY E-FILING IS FASTER, EASIER, AND BETTER.

- It is accurate and easy. E-file software helps taxpayers avoid mistakes by doing the math.
- It is secure. E-file meets strict security guidelines.
- It is convenient.
- Most e-filers get their refunds faster.
- It's often free.
- There are several options for making payments.

**For a list of approved e-file vendors visit
azdor.gov/e-services/approved-vendors**



Determining Arizona Filing Status

The filing status taxpayers use on their Arizona return may be different from that used on a federal return. Taxpayers can use this section to determine their filing status.

Married Filing a Joint Return

Taxpayers may use this filing status if married as of December 31, 2025. It does not matter whether or not they were living with a spouse. They may elect to file a joint return even if the taxpayer and spouse filed separate federal returns.

If they qualify as married for federal purposes, taxpayers qualify as married for Arizona purposes and must file using the status of either married filing joint or married filing separate.

Taxpayers may use this filing status if their spouse died during 2025 and they did not remarry in 2025.

The Arizona Form 140 is for full-year residents only. Taxpayers may not file a joint Arizona income tax return on Form 140 if any of the following apply:

- A spouse is a nonresident alien (citizen of and living in another country).
- A spouse is a resident of another state.
- A spouse is a part-year Arizona resident.

If filing a joint return with a nonresident spouse, a taxpayer may file a joint return using Form 140NR. See Form 140NR instructions.

If filing a joint return with a part-year resident spouse, a taxpayer may file a joint return using Form 140PY. See Form 140PY instructions.

For details on filing a joint return with a part-year resident or nonresident spouse, see Arizona Department of Revenue Income Tax Ruling (ITR) 14-1.

Head of Household

A taxpayer may file as head of household on an Arizona return only if one of the following applies:

- The taxpayer qualifies to file as head of household on a federal return.
- The taxpayer qualifies to file as a qualifying widow or widower on a federal return.

Married Filing Separately

Taxpayers may use this filing status if married as of December 31, 2025, and they elect to file a separate Arizona return. A taxpayer may elect to file a separate return, even if they filed a joint federal return.

If filing a separate return, taxpayers will check the line 6 box and enter a spouse's name in the space provided. Also, the taxpayer will enter the spouse's social security number in the space provided.

Arizona is a community property state. If filing a separate return, the taxpayer must figure how much income to report using community property laws. Under these laws, a separate return must reflect one-half of the community income from all sources plus any separate income.

When filing separate returns, the taxpayer must account for community deductions and credits on the same basis as community income. Both the taxpayer and spouse must either itemize or not itemize. If one spouse itemizes, both spouses must itemize.

If one spouse takes a standard deduction, both spouses must take a standard deduction. One spouse may not claim a standard deduction while the other itemizes.

If a married couple supports a dependent child from community income, either spouse may claim the dependent. Both spouses **cannot** claim the same dependent on both returns.

For details on how to file a separate Arizona income tax return, see Arizona Department of Revenue Income Tax Ruling (ITR) 93-18 and ITR 93-19.

NOTE: If you can treat community income as separate income on your federal return, you may also treat that community income as separate on your Arizona return. See Arizona Department of Revenue Income Tax Ruling (ITR) 93-22 for more information.

If filing a separate return and the taxpayer's spouse is not a resident of Arizona, other special rules may apply. For more details, see Arizona Department of Revenue Income Tax Ruling, ITR 93-20.

Single

Taxpayers will use this filing status if they were single on December 31, 2025. Taxpayers are single if any of the following apply:

- The taxpayer has never been married.
- The taxpayer is legally separated under a decree of divorce or of separate maintenance.
- The taxpayer was widowed before January 1, 2025, did not remarry in 2025, and the taxpayer does not qualify to file as a qualifying widow or widower with dependent children on a federal return.

NOTE: If a taxpayer got divorced during the year, see the Department's ruling, ITR 14-2, Reporting Income, Deductions, Exemptions, and Withholding for Divorced Individuals for the Year of Divorce and publication, Pub. 200, Income Tax Issues Affecting Married and Divorced Taxpayers.



Which Form Taxpayers Should Use

There are seven 2025 tax forms for individuals:

- Form 140
- Form 140A
- Form 140EZ
- Form 140NR
- Form 140PY
- Form 140PTC
- Form 140ET

Form 140

Taxpayers (and their spouse if married filing a joint return) may file Form 140 only if they are full-year residents of Arizona.

They must use Form 140 rather than Form 140A or Form 140EZ to file if any of the following apply:

- The taxpayer's taxable income is \$50,000 or more, regardless of filing status.
- The taxpayer received active duty military pay as a member of the U.S. Armed Forces.
- The taxpayer received pay for active service as a Reservist or a National Guard member.
- The taxpayer is making adjustments to income.
- The taxpayer itemizes deductions.
- The taxpayer claims tax credits other than the family income tax credit, the credit for increased excise taxes, or the property tax credit.
- The taxpayer is claiming estimated payments.
- The taxpayer is claiming an increased standard deduction for a portion of their charitable contributions.

Form 140A

- The taxpayer (and spouse if married filing a joint return) are full-year residents of Arizona.
- The taxpayer's Arizona taxable income is less than \$50,000, regardless of filing status.
- The taxpayer is not making any adjustments to income.
- The taxpayer does not itemize deductions.
- The taxpayer is not claiming estimated tax payments.
- The only tax credits the taxpayer can claim are:
 - the property tax credit.
 - the credit for increased excise taxes.

Form 140EZ

- The taxpayer is single or if married, the taxpayer and spouse are filing a joint return.
- The taxpayer (and spouse if married filing a joint return) are full-year residents of Arizona.
- The taxpayer (and spouse if married filing a joint return) were under age 65 and not blind at the end of 2025.
- The taxpayer is not claiming any dependents.
- The taxpayer is not claiming an exemption for a qualifying parent or grandparent.
- The taxpayer is not making any adjustments to income.
- The taxpayer does not itemize deductions.
- The taxpayer is not making voluntary gifts through means of a refund check-off.
- The Arizona taxable income is less than \$50,000, regardless of the taxpayer's status.
- The only tax credits the taxpayer is claiming include:
 - the family income tax credit.
 - the credit for increased excise taxes.

Form 140NR

Taxpayers are subject to Arizona income tax on all income derived from Arizona sources. If they are in this state for a temporary or transitory purpose, or did not live in Arizona but received income from sources within Arizona during 2025, taxpayers are subject to Arizona tax. Income from Arizona sources includes wages, rental income, business income, the sale of Arizona real estate, interest, and dividends having a taxable or business status in this state, or any other income from an Arizona source.

Form 140PY

As a part-year resident, taxpayers are subject to tax on all of the following:

1. Any income earned in 2025 while an Arizona resident. This includes any interest or dividends received from sources outside Arizona.
2. Any income earned from an Arizona source in 2025 before moving to (or after leaving) the state.

NOTE: If taxpayers also have Arizona source income and deductions for the portion of the year they were an Arizona nonresident, they need to file Arizona Form 140PY for the entire taxable year.

Form 140ET

NOTE: Beginning January 1, 2015, taxpayers **must** have a social security number (SSN) that is valid for employment. If a taxpayer also claims a credit for a spouse and/or qualifying children, the spouse and qualifying children **must** each have a valid SSN or individual taxpayer identification number (ITIN) issued by the Internal Revenue Service.

Taxpayers will use Form 140ET to claim a credit for increased excise taxes paid due to the education funding tax increase.

They will file Form 140ET **only** if they meet the following:

- The taxpayer is not required to file an income tax return and does not qualify for the property tax credit on Arizona Form 140PTC.
- The taxpayer was an Arizona resident during 2025.
- The taxpayer is not claimed as a dependent by any other taxpayer.
- The taxpayer was not sentenced for at least 60 days of 2025 to a county, state, or federal prison.
- The taxpayer's federal adjusted gross income is:
 - \$25,000 or less if married filing a joint claim;
 - \$25,000 or less if filing as head of household;
 - \$12,500 or less if single; or
 - \$12,500 or less if married filing a separate claim.

When the taxpayer is only filing Form 140ET, they cannot e-file and must mail the return to the address on the form.

A taxpayer's federal adjusted gross income is income that must be reported on a federal income tax return less adjustments to income allowed on the federal income tax return. If unsure if the federal adjusted gross income meets the limit, the taxpayer may want to complete a federal income tax return.

If a taxpayer meets **all** of 1 through 5 above, that individual may claim a credit for increased excises taxes paid. The taxpayer can complete Form 140ET to figure the credit.

NOTE: The credit cannot exceed \$100 per household. The taxpayer cannot file Form 140ET if someone else in his or her household has already claimed \$100 of the credit. If someone else in the household has filed Form 140ET claiming less than \$100, the taxpayer may file Form 140ET. The total of all credit claims filed from a household cannot be more than \$100.

Form 140PTC

Taxpayers can file Form 140PTC only if they meet the following:

1. The taxpayer was a resident of Arizona for the entire year. (From January 1, 2025 to December 31, 2025.)
2. The taxpayer was either 65 or older by December 31, 2025, or received SSI Title 16 payments during 2025. (The taxpayer must meet only one of these requirements.)
3. The taxpayer's total household income was less than \$3,751 if they lived alone. If others lived with the individual, the taxpayer's total household income was less than \$5,501.
4. The taxpayer paid property taxes or rent on a main home in Arizona during 2025. They may also have paid both property taxes and rent for the entire year of 2025. If the taxpayer only paid rent during 2025, that individual must have rented for the entire year. The taxpayer also meets this requirement if one of the following applies:
 - The taxpayer was a resident of a nursing home in Arizona. The nursing home was subject to and paid property taxes, and the taxpayer used their social

security or other personal funds to pay the nursing home.

- The taxpayer was a shareholder of a cooperative corporation in Arizona, and the unit they lived in was a main home during 2025.
- The taxpayer was a member of a condominium association in Arizona, and the unit was their main home during 2025.

If the taxpayer meets **all** of 1 through 4 above, the individual may claim a refund of Arizona property taxes and complete Form 140PTC to figure the credit.

NOTE: If the taxpayer must file an Arizona tax return (Form 140 or Form 140A), they must attach the completed Form 140PTC to the return.

If the taxpayer does not have to file an Arizona income tax return, the individual will complete only Form 140PTC. Please note that the taxpayer cannot e-file in this situation and Form 140PTC must be mailed to the address on the form.

What Taxpayers Must Attach When Filing Arizona 140PTC

When filing a 140PTC claim, taxpayers must attach certain documents to their claim. If they fail to attach the required documents to their 140PTC claim, the Department will disallow the claim. To determine what they must attach, taxpayers should review the following list:

Title 16 Supplemental Security Income (SSI) Recipient

When a taxpayer files a 140PTC claim, **the taxpayer must attach** a statement from the Social Security Administration.

The taxpayer will also attach this statement to the back of the claim, and must show all of the following:

1. The taxpayer's name and address.
2. The taxpayer's social security number.
3. The payments the taxpayer received or is due to receive from Title 16 SSI payments.
4. The period for which the taxpayer received or is due to receive Title 16 SSI payments.
5. The date the Social Security Administration issued the statement.

Homeowner

When a taxpayer files a 140PTC claim, **the taxpayer must attach** a copy of a statement showing property taxes **paid in 2025**. The taxpayer must attach this statement to the back of the claim. This statement may be one of the following:

1. A copy of the taxpayer's property tax statement from their mortgage company.
2. A tax bill stamped "Paid" by the taxpayer's county treasurer.
3. The taxpayer's property tax bill with copies of both the front and back of the canceled checks cashed in 2025.

Renter

When a taxpayer files a 140PTC claim, **the taxpayer must attach** a completed Form 201 and attach this statement to the back of the claim. The taxpayer must get Form 201 from their landlord and must fill out lines 13 through 15 unless they contain the correct, preprinted

information. The landlord must complete and sign Form 201 because it provides proof of property taxes paid from the taxpayer's rent.

If a taxpayer owns a mobile home but rents the space, the individual must complete Form 140PTC as a renter and attach a completed Form 201 **and** a statement showing property taxes paid in 2025. Please see the "homeowner" instructions to find out what kind of property tax statement the taxpayer should attach.



Dependents - Boxes 10a and 10b

Dependent Tax Credit - Forms 140, 140A, 140NR, and 140PY

Arizona's 2019 legislation (House Bill 2757) repealed the \$2,300 dependent exemption for tax years beginning from and after December 31, 2018.

The legislation also enacted A.R.S. § 1073.01 establishing a *Dependent Tax Credit* for taxpayers claiming the following individuals:

- Dependents under the age of 17; and
- Dependents age 17 and older.

The Dependent Tax Credit is claimed on:

- Form 140, page 2, line 49
- Form 140A, page 1, line 21
- Form 140NR, page 2, line 59
- Form 140PY, page 2, line 59

*Taxpayers filing Form 140EZ **cannot claim** the Dependent Tax Credit.*

Taxpayers may claim a dependent tax credit for individuals that qualify as a dependent for federal purposes. The amount of the credit is \$100 for each dependent under the age of 17 (box 10a) and \$25 for each dependent who is age 17 or over (box 10b). The total amount of the allowable credit is reduced for taxpayers whose federal adjusted gross income is \$200,000 or more (single, married filing separate, or head of household) and \$400,000 or more (married filing joint).

Boxes 10a and 10b (page 1) identify the *number* of your qualifying dependents that are either under the age of 17 (box 10a) or age 17 and over (box 10b). This information is used to compute the allowable Dependent Tax Credit.

Completing the Dependent Section

The taxpayer must complete the Dependent Information Section on page 1 (and page 4, Part 1: Dependent Information if more space is needed) of their return before totaling dependents for box 10a and 10b. The taxpayer must check the box indicating they are completing page 4. The taxpayer should **not** include page 4 with the return if they do not use it.

Only those individuals that qualify as a dependent for federal purposes may be claimed as a dependent for the purpose of claiming the Dependent Tax Credit.

NOTE: If the taxpayer does not claim a dependent for a student on a federal return in order to allow the student to claim a federal education credit on the student's federal return, the taxpayer may still claim the dependent on an Arizona return. For more information, see Arizona Individual Income Tax Ruling ITR 05-2.

NOTE: If a person who is a qualifying parent or grandparent also qualifies as the taxpayer's dependent, the taxpayer may include that person as a dependent in box 10b, **or** may claim that person as a qualifying parent or grandparent in 11a. The taxpayer may not include the same person in both box 10b and box 11a.

- **Nonresident taxpayers filing Form 140NR** must prorate the credit amount computed in Table I based on the taxpayer's Arizona income ratio calculated on Form 140NR, line 27.
- **Part-year residents filing Form 140PY** must also prorate the credit amount computed in Table I based on the taxpayer's Arizona income ratio calculated on Form 140PY, line 27.

Exception: Active Duty Military Personnel Only - taxpayers filing Form 140PY and were an active duty military member, who either began or gave up Arizona residency during 2025, are not required to prorate this tax credit.

The following worksheet (provided in the instructions for Forms 140, 140A, 140NR, and 140PY) is used to compute the allowable dependent tax credit.

Table I for both Forms 140NR and 140PY is modified to include the limitation outlined above.

Table I			
(a)	(b)	(c) Credit amount	(d) Multiply column (b) by column (c)
1. Enter number of dependents from page 1, box 10a.....		\$ 100	\$.00
2. Enter number of dependents from page 1, box 10b.....		\$ 25	\$.00
3. Credit amount before adjustment. Add lines 1 and 2. Enter total in column (d).			\$.00

All taxpayers go to Table II.

Table II	
If your filing status is single, married filing separate, or head of household is your federal adjusted gross income on page 1, line 12, more than \$200,000?	Yes ☐ No ☐
If your filing status is married filing joint is your federal adjusted gross income on page 1, line 12, more than \$400,000?	Yes ☐ No ☐

- If you answered "No," you are not required to reduce the amount of credit computed in Table I. Enter the amount From Table I, line 3 on page 2, line 49.

- If you answered “Yes,” you are required to reduce the amount of credit computed in Table I.

Complete Table III or Table IV.

Table III 2025 Adjusted Dependent Tax Credit For filing status: single, married filing separate, or head of household	
1. Enter your federal adjusted gross income from page 1, line 12.....	\$.00
2. Federal adjusted gross income limit.....	\$ 200,000.00
3. Subtract line 2 from line 1. Enter the difference..... <i>If the difference is greater than \$19,000, ‘STOP’ you cannot claim the dependent tax credit.</i>	\$.00
4. Enter amount from Table I, line 3, column (d).....	\$.00
5. Based on the amount on line 3, enter the number from Table V. For example: if line 3 is \$1,500, enter .90.....	\$.00
6. Multiply line 4 by line 5. Enter the result. Also, enter the result on page 2, line 49...	\$.00

Table IV 2025 Adjusted Dependent Tax Credit For filing status: married filing joint	
1. Enter your federal adjusted gross income from page 1, line 12.....	\$.00
2. Federal adjusted gross income limit.....	\$ 400,000.00
3. Subtract line 2 from line 1. Enter the difference..... <i>If the difference is greater than \$19,000, ‘STOP’ you cannot claim the dependent tax credit.</i>	\$.00
4. Enter amount from Table I, line 3 column (d).....	\$.00
5. Based on the amount on line 3, enter the number from Table V. For example: if line 3 is \$1,500, enter .90.....	\$.00
6. Multiply line 4 by line 5. Enter the result. Also, enter the result on page 2, line 49.....	\$.00

Table V			
If the amount on line 3 from Table III or Table IV is:	Enter on line 5	If the amount on line 3 from Table III or Table IV is:	Enter on line 5
\$ 1 – 1,000	.95	\$ 10,001 – 11,000	.45
\$ 1,001 – 2,000	.90	\$ 11,001 – 12,000	.40
\$ 2,001 – 3,000	.85	\$ 12,001 – 13,000	.35
\$ 3,001 – 4,000	.80	\$ 13,001 – 14,000	.30
\$ 4,001 – 5,000	.75	\$ 14,001 – 15,000	.25
\$ 5,001 – 6,000	.70	\$ 15,001 – 16,000	.20
\$ 6,001 – 7,000	.65	\$ 16,001 – 17,000	.15
\$ 7,001 – 8,000	.60	\$ 17,001 – 18,000	.10
\$ 8,001 – 9,000	.55	\$ 18,001 – 19,000	.05
\$ 9,001 – 10,000	.50	\$ 19,001 and over	.00



Qualifying Parents and Grandparents

Box 11a, Forms 140, 140A, 140NR, 140PY

A qualifying parent or grandparent may be any one of the following:

- The taxpayer's parent or grandparent. This can be a grandparent, great grandparent, etc.
- If married filing a joint return, the taxpayer's spouse's parent or grandparent, etc.

The taxpayer may claim this exemption if **all** of the following apply:

1. The parent, grandparent, or great-grandparent was 65 years old or older during 2025.
2. The parent or grandparent lived in the taxpayer's principal residence for the entire taxable year.

If the taxpayer's parent or grandparent died during the taxable year, this requirement will still be met if they lived with the taxpayer for the entire part of the year in which they were alive. **Temporary absences** by the parent or grandparent for special circumstances, such as a hospital stay or care in a hospice facility, count as time lived in the taxpayer's principal residence.

3. The taxpayer paid more than one-half of the support and maintenance costs of the parent or grandparent during the taxable year.

To help determine if the taxpayer paid more than one-half of their parent's or grandparent's support during the taxable year, it is recommended that the taxpayer review the Department's income tax procedure, ITP 14-1, *Procedure for Determining Support for Purposes of the Parents and Grandparents Exemption Allowed under A.R.S. §43-1023(C)* and complete the worksheet. The taxpayer should keep the worksheet for their records.

4. The parent or grandparent required assistance with activities of daily living.

The term "activities of daily living" means two or more of the listed categories. Activities of daily living include both basic activities of daily living and instrumental activities of daily living. The categories of activities of daily living are dressing, eating, ambulating, toileting, medicating and hygiene, shopping, housekeeping, managing personal finances, basic communication, food-preparation, and transportation.

For more information regarding what the term "activities of daily living" means when determining an Arizona resident taxpayer's eligibility for this exemption, see the Department's ruling, ITR 14-3, *"Activities of Daily Living" for the Purpose of the Exemption Allowed Under A.R.S. § 43-1023(C)*.

To help determine if a taxpayer's parent or grandparent required assistance with activities of daily living to meet this requirement, it is recommended that the taxpayer review the department's procedure, ITP 14-2, *Procedure for Determining Whether a Parent or Grandparent Requires Assistance with Activities of Daily Living for Purposes of the Exemption Allowed under A.R.S. § 43-1023(C)* and complete the checklist. The taxpayer will keep the checklist for their records. The taxpayer may lose the exemption if they fail to furnish this information.

Completing the Qualifying Parents and Grandparents Section

If the taxpayer needs additional lines to list all qualifying parents and grandparents, the individual will complete page 4, Part 2: Qualifying Parents and Grandparents, and include this page with the return. The taxpayer must check the box indicating they are completing page 4. The taxpayer should **not** include page 4 with the return if they do not use it.

Other Exemptions

Taxpayers may claim \$2,300 for each of the following individuals as an *Other Exemption* on Form 140, line 40; Form 140A, line 15; Form 140NR, line 49; or Form 140PY, line 48.

- A person who is age 65 or over (related to the taxpayer or not) and does not qualify as a dependent on the taxpayer's federal return, but one of the following applies:
 1. In 2025, the taxpayer paid more than one-fourth of the cost of keeping this person in an Arizona nursing care institution, an Arizona residential care institution, or an Arizona assisted living facility. The taxpayer's cost must be more than \$800.
 2. In 2025, the taxpayer paid more than \$800 for either Arizona home health care or other medical costs for the person.
- A stillborn child if the following apply:
 1. The stillbirth occurred during 2025.
 2. The taxpayer received a certificate of birth resulting in stillbirth from the Arizona Department of Health Services.
 3. The child would have otherwise been a member of the taxpayer's household.

Taxpayers claiming Other Exemptions must complete page 4, Part 3, Other Exemptions, and include page 4 with return, when filed.

Totaling Taxpayer Income

NOTE: All line references below relate to the 2024 Arizona Form 140.

Line 12 – Federal Adjusted Gross Income

You must complete your federal return before you enter an amount on line 12. You must complete a 2025 federal return to determine your federal adjusted gross income, even if you are not filing a federal return.

Arizona uses federal adjusted gross income as a starting point to determine Arizona taxable income. Your federal adjusted gross income is your Arizona gross income.

NOTE: Be sure to use your federal adjusted gross income and not your federal taxable income.

Line 13 – Small Business Income

If you elect to report your small business income on Arizona Form 140-SBI, check the box on line 13 and enter the amount of small business income reported on Form 140-SBI, line 10.

Complete lines 4 through 10 on Form 140-SBI to determine the amount to enter on line 13 (Form 140).

If you are not making this election, enter “0” on line 13.

Line 14 – Modified Federal Adjusted Gross Income

Subtract line 13 from line 12

Additions to Income (Form 140 reference)

Line 15 – Non-Arizona municipal interest

The taxpayer will enter the amount of interest income from non-Arizona municipal bonds that was not included as income on their federal return.

The taxpayer may exclude any expenses incurred to purchase or carry the obligation and reduce the interest income by the amount of those expenses the taxpayer could not deduct on their federal return.

If the taxpayer received tax exempt interest from municipal bonds, the individual will include a schedule listing the payors and the amount received from each payor. The taxpayer may also want to include supporting documents for amounts received from Arizona municipal bonds that are exempt from Arizona income tax. These may be items such as bank statements, brokerage statements, etc.

Line 16 – Partnership income adjustment (Positive)

If you are making the small business election, do not make the addition here, make it on Form 140-SBI.

The taxpayer will complete line 14 if line 3 of Arizona Form 165 Schedule K-1 shows a difference between federal and state distributable income.

If the difference reported on line 3 of Form 165 Schedule K-1 is a positive number, the taxpayer will enter that difference as an addition on line 16.

NOTE: If the difference reported on line 3 of Form 165 Schedule K-1 is a negative number, the taxpayer will enter that difference on line 27.

Line 17 – Total federal depreciation

If you are making the small business election, do not make the addition here, make it on Form 140-SBI.

The taxpayer will enter the total amount of depreciation deducted on a federal return. If making an entry here, the taxpayer should also take a subtraction on line 24.

Line 18 – Other Additions to Arizona Gross Income

*Taxpayers reporting any of the items listed below **must** complete Form 140, page 5, Adjustments to Arizona Gross Income, Part A, and include it with the return, when filed.*

- A. Married persons filing separate returns
- B. Fiduciary adjustment
- C. Ordinary income portion of lump-sum distributions excluded on a federal return
- D. Items previously deducted for Arizona purposes
- E. Claim of right adjustment for amounts repaid in 2022
- F. (a) Claim of right adjustment for amounts repaid in prior taxable years
(b) Adjustment for Net Operating Loss due to Claim of Right
- G. Addition to S Corporation income due to credits claimed
- H. Adjusted basis in property for which the taxpayer claimed a Credit for Investment in Qualified Small Businesses
- I. Non-qualified withdrawals from 529 College Savings Plans
- J. Sole proprietorship loss of an Arizona nonprofit medical marijuana dispensary included in Federal Adjusted Gross Income
- K. Federal net operating loss (NOL) carry-forward from non-Arizona sources accrued while a non-resident
- L. Federal capital loss carry-forward deduction incurred from non-Arizona sources prior to Arizona residency
- M. Americans with Disability Act – Access Expenditures
If a subtraction is taken on line 36, Other Subtractions from Income (Item Q), for the full amount of eligible business access expenditures paid or incurred during the taxable year to comply with the Americans with Disabilities Act of 1990 or A.R.S. Title 41, chapter 9, article 8; the taxpayer must make an addition to Arizona gross income for any amount included in the computation of federal adjusted gross income for the current year, plus any federally amortized amounts.
- N. Amortization or depreciation for child care facility
- O. Net Capital Loss derived from the exchange of one kind of legal tender for another kind of legal tender
- P. Entity-level income tax payment
- Q. Other adjustments related to tax credits-see instructions
- R. Other adjustments
- S. Total other additions to Arizona gross income

Line 19 – Subtotal (add lines 14 through 18)

Subtractions from Income (Form 140 reference)

Lines 20 through 24 – Net long-term capital gain (or loss)

NOTE: If entering an amount on line 20, the taxpayer must complete lines 21 and 22. If taking a subtraction on line 24 for any net long-term capital gain from assets acquired after December 31, 2011, the taxpayer must also complete line 22. If the taxpayer is not completing lines 20 through 23, the individual cannot take the subtraction.

NOTE: For lines 20-24; *if you elected to file the Arizona Small Business Income Tax Return, only claim the subtraction on this return if the net capital gain to which the subtraction relates was not moved to the Arizona Small Business Income Tax Return.*

If you have net capital gains or (losses) not related to small business income, enter those amounts on Form 140, lines 20-24.

If you are not filing a small business income tax return, include all net capital gains or (losses)

on Form 140, lines 20-24.

The taxpayer may subtract 25% (.25) of any net long-term capital gain included in the federal adjusted gross income derived from an investment in an asset acquired after December 31, 2011. The taxpayer will use the worksheet on page 29 of these instructions, Worksheet for Net Long-Term Capital Gain Subtraction for Assets Acquired after December 31, 2011, to determine the allowable subtraction and keep the worksheet for their records.

Line 20 – Total net capital gain or (loss)

If the taxpayer reported a net capital gain or (loss) on a federal Form 1040 income tax return, the individual will enter the total net capital gain or (loss) reported on the *Capital Gain or (Loss)* line on the federal return. This amount should be reported in the taxpayer's federal adjusted gross income.

Line 21 – Total net short-term capital gain or (loss)

The taxpayer will enter the total amount of net short-term capital gain or (loss) reported on the *Capital Gain or (Loss)* line on federal Form 1040 return. This amount should be reported in the taxpayer's federal adjusted gross income.

NOTE: If the taxpayer is not required to report dividend distributions and/or short-term capital gains from mutual funds on federal Form Schedule D, the taxpayer does not include the short-term capital gain distributed by the mutual fund on line 21.

Line 22 – Total net long-term capital gain or (loss)

The taxpayer will enter the amount from federal Form 1040.

Line 23 – Net long-term capital gain from assets acquired *after* December 31, 2011. The taxpayer will enter the amount from the worksheet, line 5.

Only include net long-term capital gains on this line if it can be verified that the asset was acquired after December 31, 2011. For purposes of this line, an asset acquired by gift or inheritance is considered acquired on the date it was acquired by the gift-giver or the deceased individual.

Line 24 – Net long-term capital gain subtraction from income for assets acquired after December 31, 2011.

Multiply the amount on line 23 by 25% and enter the result.

Line 25 – Net capital gain derived from investment in qualified small business.

If you are making the small business election, do not take the subtraction here, take it on the 140-SBI tax return.

Line 26 – Recalculated Arizona depreciation

Note: For more information and examples of how to calculate Arizona bonus depreciation, see the Department's Income Tax Procedure, ITP 16-2, *Procedure for Individuals who Claim Federal and/or Arizona Bonus Depreciation*.

If you are making the small business election, do not take the subtraction here, take it on the 140-SBI tax return.

Line 27 – Partnership income adjustment (negative)

If you are making the small business election, do not take the subtraction here, take it on the 140-SBI tax return.

Taxpayers use this adjustment if line 3 of Arizona Form 165 Schedule K-1 shows a difference between federal and state distributable income.

If the difference reported on line 3 of Arizona Form 165 Schedule K-1 is a negative number, the taxpayer will enter that difference on line 27. Do not include a minus sign or use parenthesis.

NOTE: If the difference reported on line 3 of Arizona Form 165 Schedule K-1 is a positive number, the taxpayer will enter that difference as an addition on line 14.

Line 28 – Interest on U.S. obligations

If you are making the small business election, do not take the subtraction here, take it on the 140-SBI tax return.

The taxpayer will enter the amount of interest income from U.S. Government obligations included as income on a federal return. U.S. Government obligations include obligations such as savings bonds and treasury bills. The taxpayer cannot deduct any interest or other related expenses incurred to purchase or carry the obligations. If such expenses are included in the Arizona gross income, the taxpayer must reduce the subtraction by such expenses. If itemizing deductions on an Arizona return, the taxpayer must exclude such expenses from the amount deducted.

NOTE: Taxpayers should not subtract interest earned on FNMA or GNMA bonds since this interest is taxable by Arizona. For details, see the Department's Income Tax Ruling, ITR 06-1.

Taxpayers should not subtract any amount received from a qualified pension plan that invests in U.S. Government obligations, nor any amount received from an IRA that invests in U.S. Government obligations. These amounts are not interest income. For details, see the Department's Income Tax Rulings (ITR) 96-2 and ITR 96-3.

Line 29a – Exclusion for U.S. government, Arizona state, or local government pensions (up to \$2,500 per taxpayer)

If a taxpayer receives pension income from any of the sources listed below, the taxpayer will subtract the amount received or \$2,500, whichever is less, and include only the amount reported as income on a federal return. If both the taxpayer and their spouse receive such pension income, each spouse may subtract the amount received or \$2,500, whichever is less.

Public pensions from the following sources qualify for this subtraction:

- The United States Government Service Retirement and Disability Fund
- The United States Foreign Service Retirement and Disability System
- Any other retirement system or plan established by federal law

NOTE: This applies only to those retirement plans authorized and enacted into the U.S. Code. This does not apply to a retirement plan that is only regulated by federal law (i.e., plans which must meet certain federal criteria to be qualified plans.)

- The Arizona State Retirement System
- The Arizona State Retirement Plan
- The Corrections Officer Retirement Plan
- The Public Safety Personnel Retirement System
- The Elected Officials' Retirement Plan
- A retirement plan established for employees of a county, city, or town in Arizona.
- An optional retirement program established by the Arizona Board of Regents under Arizona Revised Statutes, and an optional retirement program established by an Arizona community college district.

Line 29b – Benefits, annuities, and pensions for retired/retainer pay of uniformed services

NOTE: Public retirement pensions from states other than Arizona do not qualify for this subtraction.

For tax year 2021 and beyond, if a taxpayer receives benefits, annuities and pensions for retired/retainer pay of uniformed services, the taxpayer will subtract up to 100% of the amount received and include only the amount reported as income on a federal return. If both the taxpayer and their spouse receive such pension income, each spouse may subtract up to 100% of the amount received.

Uniformed services pensions that qualify for the subtraction on Line 29b do not also qualify for the subtraction on Line 29a.

Line 30 – U.S. Social Security benefits or Railroad Retirement benefits

Arizona does not tax social security benefits received under Title II of the Social Security Act. Arizona does not tax railroad retirement benefits received from the Railroad Retirement Board under the Railroad Retirement Act. If including such social security or railroad retirement benefits as income on a federal return, a taxpayer will use line 30 to subtract this income.

See the Department's Income Tax Ruling, ITR 96-1, for more information about railroad retirement benefits.

NOTE: Taxpayers will enter only the taxable amount (the amount that was subject to federal income tax) and not include any amount that was not subject to federal income tax.

Line 31 – Certain wages of American Indians

Line 32 – Pay received for active service as a member of the Reserves, National Guard, or the U.S. Armed Forces

Line 33 – Net operating loss adjustment

If you are making the small business election, do not take the subtraction here, take it on the 140-SBI tax return.

Line 34 (Box 34a, 34b and Line 34c)**Box 34a – Contributions to 529 College Savings Plans**

The amount of allowable subtraction for contributions has changed for tax year (TY) 2021. A single taxpayer may subtract the amount contributed during the year up to a maximum of \$2,000 per beneficiary (\$4,000 if married filing joint). If married filing separate, each taxpayer may take the subtraction, or may be divided between the spouses, but the total subtraction taken by both cannot be more than \$4,000.

Box 34b – Contributions to 529A (ABLE Accounts)

A taxpayer may subtract amounts contributed directly to a 529A, Achieving a Better Life Experience Account (ABLE), during the taxable year on behalf of the designated beneficiary to the extent that contributions were not deducted in computing federal adjusted gross income. You may subtract the amount you contributed during the year up to a total of \$2,000 per beneficiary (\$4,000 for a married couple filing a joint return). If you are married filing separate returns, either you or your spouse may take the subtraction, or you may divide it between you, but the total subtraction taken by both of you cannot be more than \$4,000 per beneficiary.

Line 34c – Add the amounts in boxes 34a and 34b and enter the total on line 34c.

Line 35 – Subtract lines 24 through 34c from line 19. Enter the difference.

Line 36 – Other Subtractions from Arizona Gross Income:

*Taxpayers reporting any of the items listed below **must** complete Form 140, page 6, Adjustments to Arizona Gross Income, Part B, and include it with the return, when filed.*

- A. Married persons filing separate returns
- B. Fiduciary adjustment
- C. Federally taxable Arizona municipal interest as evidenced by bonds
- D. Adoption expenses
- E. Qualified wood stove, wood fireplace, or gas fired fireplace
- F. Claim of right adjustment for amounts repaid in prior taxable years
- G. Certain expenses not allowed for federal purposes
- H. Qualified state tuition program distributions
- I. Installment sale income from another state taxed by the other state in a prior taxable year
- J. Agricultural crops given to Arizona charities
- K. Basis adjustment for property sold or otherwise disposed of during the taxable year
- L. Sole proprietorship income of an Arizona nonprofit medical marijuana dispensary included in federal adjusted gross income
- M. Long-Term Care Insurance Premium.
Taxpayers may take this subtraction only if they are not claiming itemized deductions for the taxable year. If itemizing deductions, taxpayers may not take this subtraction.
- N. Americans with Disabilities Act Access Expenditures
For taxable years beginning from and after December 31, 2017, a subtraction is allowed for eligible business access expenditures paid or incurred during the taxable year to comply with the requirements of the Americans with Disabilities Act of 1990 or A.R.S. Title 41, chapter 9, article 8 by retrofitting developed real property originally placed in service at least 10 years before the current taxable year.
- O. Deferred exploration expenses
- P. Sole Proprietorship of an Arizona Marijuana Establishment, Marijuana Testing

- Facilities and dual licensees that operate on a for-profit basis
- Q. S Corporation shareholders of an Arizona Marijuana Establishment, Marijuana Testing Facilities and dual licensees that operate on a for-profit basis
 - R. Net Capital Gain Derived from the Exchange of One Kind of Legal Tender for Another Kind of Legal Tender
 - S. Value of Virtual Currency and Non-Fungible Tokens Received at the Time of the Airdrop. See instructions.
 - T. Gas Fees Not Included in Virtual Currency or Non-Fungible Token Basis.
 - U. Arizona Families Tax Rebate
 - V. Other Adjustments
 - W. Total Other Subtractions

Line 37 – Subtract line 36 from line 35.

Enter the difference.

Line 38 – Age 65 or over

Line 39 – Blind

Line 40 – Other exemptions

Line 41 – Qualifying parents and grandparents

Line 42 – Arizona adjusted gross income

Subtract lines 38 through 41 from line 37 and enter the difference.



Figuring Tax

Line 43 – Deductions

Itemized Deductions

If itemizing deductions, taxpayers must check box 43I on line 43.

Taxpayers may claim itemized deductions on an Arizona return even if taking a standard deduction on a federal return. For the most part, they may claim those deductions allowable as itemized deductions under the IRC. In some cases, the amount allowed for some deductions may not be the same as the amount allowable for federal purposes.

Taxpayers may have to adjust the amounts shown on the completed federal Form 1040, Schedule A. See Form 140 Schedule A, Itemized Deduction Adjustments to determine if any adjustments have to be made.

To figure the itemized deductions, taxpayers are required to complete federal Form 1040, Schedule A. Then, if required, complete Form 140, Schedule A, Itemized Deduction Adjustments. If they do not have to complete Form 140, Schedule A, Itemized Deduction Adjustments, taxpayers will enter the amount from federal Form 1040, Schedule A, on Form 140, line 44.

NOTE: If itemizing deductions, the taxpayer must attach a copy of the completed federal Schedule A to their Arizona return. If itemizing, they will check box 43I.

Standard Deduction

NOTE: For tax years beginning from and after December 31, 2018, a separate amount is provided for those taxpayers with a filing status of head of household.

If electing the standard deduction, taxpayers must check box 43S on line 43.

If a filing status is:	The standard deduction is:
Single	\$15,750
Married filing separately	\$15,750
Married filing jointly	\$31,500
Head of household	\$23,625

Line 44 – Increased Standard Deduction for Charitable Contributions

Taxpayers electing to take the standard deductions may *increase* the amount of the standard deduction amount by 34% (.34) of the total amount of the taxpayer's charitable deduction that would have been allowed if the taxpayer elected to claim itemized deductions on the Arizona return.

Taxpayers claiming this increase **must**:

- check the box 44C on line 44;
- complete Form 140, page 3, *2025 Form 140 – Standard Deduction Increase for Charitable Contributions*; and
- include page 3 with the return, when filed.

NOTE: Nonresident taxpayers filing Form 140NR, must prorate the amount of the increased standard deduction for charitable contributions by their Arizona income ratio computed on Form 140NR, line 27. The worksheet on Form 140NR, page 3, is modified for the limitation.

Line 45 – Arizona taxable income

Taxpayers will subtract lines 43 and 44 from line 42 and enter the difference. Use this amount to calculate tax using Tax Table X or Y or the Optional Tax Tables. If less than zero, enter "0."

Line 46 – Tax amount: Multiply line 45 by 2.5% (.025).

Line 47 – Tax from recapture of credits from Arizona Form 301

Taxpayers will enter the amount of tax due from recapture of the credits from Arizona Form 301, Part 2, line 30.

Line 48 – Subtotal of tax

Taxpayers will add lines 46a, 46b, and 47 and enter the total.

Line 49 – Dependent tax credit

Taxpayers will enter the amount of the allowable Dependent Tax Credit computed in the worksheet provided in the instructions for line 49.

Line 50 – Family income tax

Taxpayers may claim this credit if income does not exceed the maximum income allowed for

each filing status. See the worksheet in the instructions for more information.

NOTE: The Dependent Tax Credit *and* Family Income Tax Credit will only reduce the tax and cannot be refunded.

Beginning with tax year 2021, Step 1, “Worksheet I,” was modified to determine allowable maximum income. Taxpayers who elected to report their small business income on Form 140-SBI, must also include the amount shown on Form 140, line 13, in the computation of maximum income in Step 1.

Line 51 – Nonrefundable credits from Arizona Form 301, Part 2, line 64.

Complete line 51 if the taxpayer claims any of the nonrefundable credits. Also, make sure to include the completed Arizona Form 301 and the appropriate credit form(s) with the return.

NOTE: *If you elect to report small business income on Form 140-SBI, certain nonrefundable credits must be claimed on the small business tax return. In this case, you must complete Form 301-SBI to claim those credit(s). See the credit form and instructions for which credits must be claimed on the small business tax return.*

Exception: *Credit Form 309 is used to claim a tax credit on Form 140 for taxes paid to other states or countries on income not reported on Form 140-SBI. Credit Form 309-SBI is used to claim a tax credit for taxes paid on small business income to another state or county. See Form 309-SBI and instructions for more information.*



Totaling Payments and Refundable Credits

Line 53 – Arizona income tax withheld

Taxpayers will enter the Arizona income tax withheld shown on the Form(s) W-2 from their employer. Also, they will enter the Arizona income tax withheld shown on Form(s) 1099-R and not include any income tax withheld for another state.

Line 54 – (Boxes a, b and c)

Taxpayers will use this line if any of the following applies:

- The taxpayer made estimated income tax payments to Arizona for 2025;
- The taxpayer applied any of their refund from a 2024 Arizona tax return to 2025 estimated taxes for Arizona; or
- The taxpayer recomputed a prior year’s tax under Arizona’s Claim of Right provisions.

Box 54a: Taxpayers enter their 2025 Arizona Estimated Tax Payments (including amount applied from the taxpayer’s 2024 return.)

Box 54b: Taxpayers enter the Arizona Claim of Right amount.

If taxpayers include an Arizona Claim of Right amount, taxpayers must also complete and include the Arizona Claim of Right – Individual form(s) with their income tax return, when filed. If a taxpayer fails to complete and include the form(s), the amount of that taxpayer’s claim may be denied. The form is available at www.azdor.gov.

Box 54c: Taxpayers enter the total of taxpayer’s amounts entered in boxes 54a and 54b.

Line 55 – 2025 Arizona extension payment (Arizona Form 204)

Taxpayers will use this line to report the payment they sent with the extension request or the electronic extension payment made on www.AZTaxes.gov.

Line 56 – Increased Excise Tax Credit

Taxpayers may take this credit if all of the following apply:

- **Must** have a SSN that is valid for employment and meet the income threshold for the appropriate filing status;
- Is not claimed as a dependent by any other taxpayer;
- Is not sentenced for at least 60 days of 2025 to a county, state, or federal prison.

Line 57 – Property Tax Credit from Form 140PTC

Taxpayers may claim the property tax credit if they meet all the following:

- They were either 65 or older in 2025 or, if under age 65, they were receiving SSI Title 6 income from the Social Security Administration.

NOTE: SSI Title 16 income is not the normal Social Security disability.

- They were an Arizona resident for the full year in 2025.
- They paid property tax on an Arizona home in 2025. They paid rent on taxable property for the entire year or did a combination of both.
- The taxpayer lived alone and their total household income was under \$3,751. If the taxpayer lived with others, the total household income was under \$5,501. To see what income is included in household income, see the Form 140PTC instructions.

Taxpayers complete Form 140PTC to figure their credit, and will enter the amount from Form 140PTC, page 1, line 15. They also want to include Form 140PTC with their return.

TAX TIP: To claim a property tax credit, a taxpayer must file a claim or extension request by April 15, 2025. The taxpayer cannot claim this credit on an amended return if their files the amended return after the due date of the return.

Line 58 – Other refundable credits

Taxpayers enter the total of refundable credits claimed from the following: Form 308-I, Credit for Increased Research Activities – Individuals and Form 349, Credit for Qualified Facilities.

Line 59 – Total Payments and Refundable Credits - Add lines 53 through 58 and enter the total.

Figuring Tax Due or Overpayment**Line 60** – Tax Due

If line 52 is more than line 59, taxpayers have tax due. They will subtract line 59 from line 52 and enter the amount of tax due, and skip lines 61, 62, and 63.

Line 61 – Overpayment

If line 59 is more than line 52, taxpayers will subtract line 52 from line 59 and enter the difference. They must complete lines 62 and 63.

Line 62 – Amount of Line 61 to Apply to Your 2025 Estimated Tax

If they want all or part of their refund applied to next year's estimated taxes, taxpayers will enter that amount on line 62.

NOTE: If taxpayers apply any of the amount shown on line 61 to 2025, these individuals cannot use that amount to pay any tax later found to be due for 2024. They also may not claim a refund for that amount until they file their 2025 return.

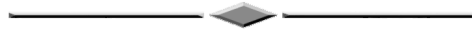
Line 63 – Balance of Overpayment

Taxpayers will subtract line 62 from line 61 to determine overpayment balance before voluntary gifts and any estimated payment penalty.

Lines 64 through 74 – Making Voluntary Gifts

Taxpayers can make voluntary gifts to each of the funds shown on the return. A gift will reduce their refund or increase the amount due with their return.

NOTE: Taxpayers making a gift cannot change the amount of that gift later on an amended return.



Common Tax Credits

Arizona Form 301

Nonrefundable Individual Tax Credits and Recapture

Taxpayers must complete Form 301 to summarize which non-refundable income tax credit amount(s) they will be claiming for tax year 2025.

Taxpayers do not have to file Form 301 when the only credits being claimed are any of the following:

- ✓ Dependent Tax Credit
- ✓ Family Income Tax Credit
- ✓ Property Tax Credit (Arizona Form 140PTC)
- ✓ Excise Tax Credit (Arizona form 140ET)
- ✓ The refundable portion of the Increased Research Activities Credit (Arizona Form 308-I); and/or

If the taxpayer makes **more than 10 (ten)** recurring monthly donations (or used paycheck deductions) to the same charity for the credits listed below the department will permit the netting/summarizing of the contributions made to the same charity and provision of one common date (for example 12/31/24). Enter the total amount of contributions made in the appropriate column.

321 Credit for Contributions made to a Qualifying Charitable Organizations (QCO)

322 Credit for Contributions made or Fees paid to a Public School

323 Credit for Contributions made to Private School Tuition Organizations

348 Credit for Contributions made to a Certified School Tuition Organization

352 Credit for Contributions made to a Qualifying Foster Care Charitable Organizations (QFCO)

NOTE: *If you elect to report small business income on Form 140-SBI, certain nonrefundable credits must be claimed on the small business tax return. In this case, you must complete Form 301-SBI to claim those credit(s). See the credit form and instructions for which credits must be claimed on the small business tax return.*

Arizona law allows a taxpayer who claims a credit on Form 301-SBI to “transfer” unused credits from Form 301-SBI to Form 301 to be claimed on the regular tax return to be applied on any remaining tax liability shown on form 140 after applying tax credits. The taxpayer must complete page 3 of Form 301-SBI to determine eligibility and amount of credits available to transfer and report the amount transferred from Form 301-SBI to Form 301 (Form 301, line 60).

Exception: *Credit Form 309 is used to claim a tax credit on Form 140 for taxes paid to other states or country on income not reported on Form 140-SBI. Credit Form 309-SBI is used to claim a tax credit for taxes paid on small business income to another state or county. See Form 309-SBI and instructions for more information.*



Arizona Form 309

Credit for Taxes Paid to Another State or Country

Note: Taxpayers **must** also complete Arizona Form 301, Nonrefundable Individual Tax Credits and Recapture, and include Forms 301 and 309 with their tax return to claim this credit.

Taxpayers may qualify for this credit if they paid tax to Arizona and another state or country on the same income.

If claiming a credit for more than one state or country, taxpayers will make a separate computation for each state or country.

For more information, see Arizona Department of Revenue Income Tax Procedure ITP 08-1. To obtain a copy of this procedure, visit the Department's website at www.azdor.gov, or call one of the customer service numbers listed on page 2.

NOTE: Taxpayers must notify the Department immediately if the other state or country credits or refunds taxes for which they have received an Arizona credit. In this case, the taxpayers must file an amended return.

Taxpayers will complete this form only if the following is met:

1. Taxpayer is filing a 2025 Arizona income tax return.
2. Taxpayer paid a **net** income tax to another qualified state or country for 2025.
 - If they are claiming a credit for taxes paid to another state, payroll taxes withheld

from income do not constitute a net income tax. Having tax withheld from their pay by Arizona and another state does not by itself qualify them for this credit. Taxpayers must file a net income tax return to the other state.

- If they are claiming a credit for taxes paid to another country, a net income tax paid to another country includes those taxes that qualify for a credit under Internal Revenue Code Sections 901 and 903.

NOTE: To claim a credit for taxes paid to a foreign country, taxpayers must complete Arizona Form 309. They must complete Form 309 even if they did not have to complete federal Form 1116 to claim a credit on a federal return.

Taxpayers may not claim this credit for the following:

1. Income taxes paid to any city or county.
2. Interest or penalties paid to another state or country.

Taxpayers may use this credit **only** in the year incurred and cannot carry the credit forward to the next year. Taxpayers also cannot carry the credit back to a prior year.

Note: If you file an amended return after you claim this credit, be sure to recalculate the credit, if required.

Application of Credit

Taxpayers can claim this credit if the income was subject to tax in both Arizona and the other state or country in the same year.

Taxpayers **cannot** apply this credit against interest or penalties payable to Arizona.

Arizona Resident

Arizona residents are allowed a credit against Arizona income taxes for net income taxes imposed by and paid to another state or country if the following apply:

1. The income taxed in Arizona is derived from sources within another state or country. This income is subject to a net tax in the other state or country regardless of your residence.
2. The other state or country does not allow Arizona residents a credit for taxes imposed on income subject to tax in both Arizona and the other state or country.

As an Arizona resident, nonresident returns filed with the following states qualify for the credit: Alabama, Arkansas, Colorado, Connecticut, District of Columbia, Delaware, Georgia, Hawaii, Idaho, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Utah, Vermont, West Virginia, and Wisconsin.

Important: As an Arizona resident, nonresident returns filed with the following states **DO NOT QUALIFY** for the credit:

Alaska, California, Florida, Indiana, Nevada, New Hampshire, Oregon, South Dakota, Tennessee, Texas, Virginia, Washington, and Wyoming.

Nonresident

A credit against Arizona income taxes is allowed for Arizona nonresidents who are not allowed

a credit by their state or country of residence for taxes paid to Arizona if either:

1. The other state or country does not tax Arizona residents on income derived from sources within the other state or country.
2. The other state or country allows Arizona residents credit for taxes paid on income subject to tax by the other state or country and Arizona.

Arizona nonresidents who file resident returns with the following states qualify for the credit:

California, Indiana, Oregon and Virginia. **Note:** This list is subject to change at any time.

Part-Year Residents

For that part of the year the taxpayer was a resident of Arizona, that individual will follow the instructions for residents.

For that part of the year the taxpayer was an Arizona nonresident, that individual will follow the instructions for nonresidents.

Dual Resident

Taxpayers may be eligible to claim the credit if they were a full-year Arizona resident filing Arizona Form 140 and considered to be a resident of another state under the laws of that other state. Taxpayers can figure their credit for taxes paid to Arizona and that other state on the same income taxable by both Arizona and the other state, but only on income that would be sourced to the other state if the taxpayer had to report that income as a nonresident.

The taxpayer may claim the credit as a dual resident if they meet the following:

1. Filing a 2025 full-year Arizona resident income tax return.
2. Considered to be a resident of another state under the laws of that other state.
3. Paid a **net** income tax to that other state.

An Arizona resident who is also considered to be a resident of another state under the laws of that state is allowed a credit against Arizona income taxes for net income taxes imposed by and paid to that other state if the following apply:

1. The other state taxes the income of the Arizona resident and does not allow the Arizona resident a credit for taxes imposed on income subject to tax in both Arizona and the other state.
2. The credit is allowed only for taxes imposed on income that would have been sourced to the other state if the Arizona resident had filed as a nonresident to the other state.

If the taxpayer is an Arizona full-year resident and also considered to be a resident of another state under the laws of the other state, that individual will complete the *Schedule of Income Allocation* on page 2 of Form 309 before completing page 1 of Form 309.

Required Attachments

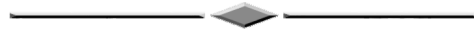
If a taxpayer claimed a credit for taxes paid to another state, that taxpayer must attach a copy of the tax return filed to the other state.

If a taxpayer claimed a credit for taxes paid to a foreign country, that taxpayer will attach the following information to the Arizona income tax return:

1. A copy of the tax return filed to the foreign country. If claiming a credit for taxes paid to a foreign country for amounts withheld at the source, and not required to file a return with

that country, the taxpayer will attach documentation showing the amount of tax imposed and paid.

2. If the tax is paid in a foreign currency, the taxpayer will provide a statement substantiating the conversion rate on the date of payment and identify their authority for the conversion rate.



Arizona Form 310

Credit for Solar Energy Devices

Note: Taxpayers **must** also complete Arizona Form 301, Nonrefundable Individual Tax Credits and Recapture, and include Forms 301 and 310 with their tax return to claim this credit.

Arizona law provides a solar energy credit for an individual who installs a solar energy device in their residence located in Arizona.

The solar energy credit for buying and installing a solar energy device is 25% of the cost, including installation, or \$1,000, whichever is less. If a taxpayer installs another device in a later year, the cumulative credit cannot exceed \$1,000 for the same residence.

Note: A taxpayer may claim a credit of up to \$1,000 for a second personal home. A taxpayer who claims a credit for both a primary home and a second home is limited to a maximum total credit of \$1,000 in the taxable year. To claim a credit for a second home, the taxpayer must complete a second form and add the two amounts together to claim on a return.

If the allowable tax credit is more than the individual's tax, or if the individual has no tax, that taxpayer may carry the unused credit forward for up to the next five consecutive years.

To be eligible for this credit, a taxpayer must be an Arizona resident who is not a dependent of another taxpayer. A solar energy device is a system or series of mechanisms that collect and transfer solar generated energy and are designed primarily to:

- Provide heating
- Provide cooling
- Produce electrical power
- Produce mechanical power
- Provide solar daylighting or
- Provide any combination of the above by means of collecting and transferring solar generated energy into such uses either by active or passive means, including wind generator systems that produce electricity.

Solar energy systems may also have the capability of storing solar energy for future use. Passive systems must clearly be designed as a solar energy device, such as a trombe wall, and not merely as a part of a normal structure, such as a window.

Only a system or device that performs one or more of these functions qualifies for the credit.

An individual component of a system does not qualify for the credit by itself.

The following devices, when used for residential purposes, qualify for the credit:

- Solar domestic water heating systems - collectors, storage tanks, heat exchangers, and piping, valves, wiring, etc., directly related to the solar system.
- Solar swimming pool and spa heating systems - collectors, heat exchangers, piping, valves, wiring, etc., directly related to the solar system.
- Solar photovoltaic systems - collectors, batteries, inverters, solar system related wiring, and including solar photovoltaic systems for recreational vehicles used as a residence. End-use appliances (even if they are 12 vdc) are excluded unless they are manufactured specifically for photovoltaic systems applications.
- Solar photovoltaic phones, street lighting, etc. - collectors, batteries, inverters, and solar system related wiring. Phone, lights, etc., are excluded unless they are manufactured specifically for photovoltaic applications.
- Passive solar building systems - Trombe wall components, thermal mass, and components specifically designed for energy gains. Dual pane windows, low-e, and other window coatings, etc., are excluded.
- Solar day lighting systems - those devices and systems specifically designed to capture and redirect visible solar energy while controlling the infrared energy (conventional skylights are specifically excluded).
- Wind generators - windmill, structure, generator, batteries, controls, wiring, and other components directly related to the wind generator. End-use appliances are excluded.
- Wind-powered pumps - windmill, structure, pump, pipes, and other components directly related to the wind pump.

The person who sells a taxpayer a solar energy device must furnish them with a certificate stating that the solar energy device complies with Arizona's solar energy device requirements. If the taxpayer designed and installed the system, that individual will not receive such a statement, but the solar energy device must meet the required criteria.

For more information on the solar energy credit and the Arizona solar energy device requirements, see the department's brochure, Pub 543, *Solar Energy Credit*.

The following DO NOT qualify for the credit:

- Conventional plumbing components - water softeners, drinking water systems, etc., even if they are provided (free or otherwise) as part of the system.
- Conventional controls - load controllers, programmable thermostats, etc., even if they are provided (free or otherwise) as part of the system.
- Conventional heating/cooling systems - air conditioners, heat pumps, evaporative coolers, furnaces, regardless of efficiency.
- Conventional windows and window treatments - dual pane, low-e, shade screens, reflective and dark coatings, awnings, interior shades, drapes, and blinds.
- Conventional skylights.

- Appliances (all voltages) - refrigerators, lights, fans, TVs, etc., unless they are manufactured specifically for photovoltaic systems.
- Fans - ceiling, window, attic, interior, etc., unless they are manufactured specifically for photovoltaic applications.
- Paint - ceramic, reflective roof coatings.
- Insulation (includes "outsulation") and radiant barrier.
- Weather stripping, caulking.
- Misting systems.
- Vegetation - shade trees, shrubs, grass.
- Solar energy cars.
- A solar hot water heater plumbing stub out that was installed by the builder of a house or dwelling unit before title was conveyed to the taxpayer. They may be able to take this credit on Arizona Form 319. For details, see Form 319.

NOTE: If taxpayers claim a credit, those individuals cannot take a depreciation deduction for the solar energy device for which the credit is claimed. If such depreciation deduction is included in their federal adjusted gross income, these taxpayers must add that amount to their Arizona gross income. They must make this addition for each period in which they deduct depreciation for federal purposes.



Arizona Form 321

Credit for Contributions to Qualifying Charitable Organizations (QCO)

NOTE: Taxpayers must also complete Arizona Form 301, *Nonrefundable Individual Income Tax Credits and Recapture*, and include Forms 301 and 321 with their tax return to claim this credit.

Taxpayers must include each qualifying charitable organization and five-digit code on the credit form for which they are claiming a credit.

If claiming a credit for contributions made to an Umbrella Charitable Organization (UCO), the taxpayer must include the code assigned to the UCO. The Department's list of qualifying charitable organizations on its website includes the code assigned to each charity and the UCO fund.

Arizona law provides a credit for cash contributions made to certain charities that provide assistance to residents of Arizona who either receive Temporary Assistance of Needy Families (TANF) benefits, are low income residents of Arizona, or are children who have a chronic illness or physical disability.

For taxable years beginning from and after December 31, 2015, Arizona law provides a separate credit, claimed on Arizona Form 352, for cash contributions made to qualifying foster care charitable organizations.

CAUTION: A contribution to a qualifying foster care charitable organization does not qualify for, and cannot be included in, a credit claimed on Form 321 for cash contributions made to a qualifying charitable organization.

If a taxpayer made cash contributions to a qualifying foster care charitable organization, that individual must complete Form 352 to claim a credit for those contributions. Do not use Form 321 to claim a credit for contributions made to qualifying foster care charitable organizations.

This credit is available only to individuals. Corporations may not claim this credit. A partnership may not pass the credit through to its partners. An S corporation may not pass the credit through to its shareholders.

Credit eligible contributions made to a qualifying charitable organization from January 1, 2026 to April 15, 2026 may be used as a tax credit on either the taxpayer's 2025 or 2026 Arizona income tax return.

If a taxpayer claims this credit in 2025 for a donation made from January 1, 2026 to April 15, 2026, that individual must make an adjustment on their 2026 Arizona Form 140 Schedule A; or Form 140PY Schedule A(PY) or A(PYN); or Form 140NR Schedule A(NR).

The maximum amount of credit a taxpayer can establish for the current taxable year for these donations is \$495 for single taxpayers or heads of household. For married taxpayers filing a joint return, the maximum amount of credit that a taxpayer can establish for the current taxable year is \$987. In most cases, for married taxpayers who file separate returns, each spouse may claim only one-half (1/2) of the total credit that would have been allowed on a joint return.

NOTE: The maximum amount of credit established for the current taxable year does not include any unused valid carryover amount(s) from prior taxable years. Because this is a nonrefundable credit, the total amount of available credit [current year plus any valid carryover amount(s)] that a taxpayer may use for the taxable year cannot be greater than the tax liability shown.

If the allowable tax credit is more than an individual's tax, or if that individual has no tax, the taxpayer may carry the unused credit forward for up to the next five consecutive taxable years' income tax liability.

Taxpayers, however, cannot claim both a tax credit and an itemized deduction for the amount of contributions made to a qualifying charitable organization for which they are claiming a credit.

Taxpayers may qualify for this credit if they make cash contributions to a qualified charity through an Umbrella Charitable Organization (UCO). An UCO is a charitable organization that collects donations on behalf of member charities and directs that donation as designated by the taxpayer to a qualifying charitable organization certified by the department.

In this case, 100% of the donation to a specific qualifying charitable organization, or to a specific fund of the UCO, must be distributed to a qualifying charitable organization certified by the department.

The UCO will need to provide the taxpayer with a receipt for the donation that specifies the qualifying charity or fund to whom the donation is designated and certifies that 100% of the donation will be distributed to the named charity. If a fund is designated, the receipt should certify that 100% of the fund is distributed to a qualifying charity certified by the Department.

NOTE: Taxpayers may be able to make contributions to these charities through payroll withholding. They can contact their employer and ask if they can withhold contributions for this credit from the taxpayer's pay.

For more information about this credit, see the Department's publication, Pub 710, *Credit for Contributions to Qualifying Charitable Organizations*.

What is a Qualifying Charitable Organization?

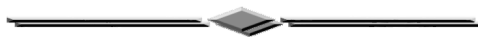
A qualifying charitable organization (charity) is a charity exempt from federal income tax under Internal Revenue Code (IRC) § 501(c)(3). A qualifying charity is also a charity designated community action agency that receives Community Services Block Grant Program money under the United States Code, Title 42, Section 9901. The charity must spend at least 50% of its budget on services to Arizona residents who receive Temporary Assistance for Needy Families benefits, who are low income Arizona residents, or who are chronically ill or physically disabled individuals (children and adults.)

For the purpose of this credit, qualifying services are services that meet the recipient's immediate basic needs. The services must be provided and used in Arizona. Services that meet these needs include cash assistance, medical care, childcare, food, clothing, shelter, job training, and job placement services.

How Can Taxpayers Tell if a Charity Qualifies?

In order to qualify, a charity must provide the Department with written certification that it meets the criteria necessary to be considered a qualifying charity. To see if a particular charity qualifies, visit the Department's website and click on Tax Credits and select Contributions to QCOs and QFCOs to see a list of the qualifying charities.

- For donations made in 2025 - use the 2025 list.
- For donations made from January 1, 2026 to April 15, 2026 - use the 2026 list.



Arizona Form 352 Credit for Contributions to Qualifying Foster Care Charitable Organizations (QFCO)

NOTE: Taxpayers must also complete Arizona Form 301, *Nonrefundable Individual Tax Credits and Recapture*, and include Forms 301 and 352 with their tax return to claim this credit.

Taxpayers must include each qualifying foster care charitable organization and five-digit code on the credit form for which they are claiming a credit. If claiming a credit for contributions made to an Umbrella Charitable Organization (UCO), the taxpayer must include the code assigned to the UCO. The Department's list of qualifying foster care charitable organizations on its website includes the code assigned to each charity and the UCO fund.

CAUTION: Contributions made after December 31, 2015 to a qualifying foster care charitable organization that does not qualify for, and cannot be included in, a credit claimed on Arizona Form 321 for cash contributions made to a qualifying charitable organization.

If a taxpayer made cash contributions to a non-foster care qualifying charitable organization, the individual must complete Arizona Form 321 to claim a credit for those contributions. Do not use Form 352 to claim a credit for contributions made to non-foster care charitable organizations.

This credit is available **only** to individuals. Corporations may not claim this credit. A partnership may not pass the credit through to its partners. An S corporation may not pass the credit through to its shareholders.

Credit eligible contributions made to a qualifying foster care charitable organization from January 1, 2026 through April 15, 2026 may be used as a tax credit on either a 2025 or 2026 Arizona income tax return.

If claiming this credit in 2025 for a donation made from January 1, 2026 through April 15, 2026, taxpayers must make an adjustment on their 2026 Arizona Form 140 Schedule A; or Form 140PY Schedule A(PY) or A(PYN); or Form 140NR Schedule A(NR).

The maximum amount of credit a taxpayer can establish for the current taxable year for these donations is \$618 for single taxpayers or heads of household. For married taxpayers filing a

joint return, the maximum amount of credit a taxpayer can establish for the current taxable year is \$1,234. In most cases, for married taxpayers who file separate returns, each spouse may claim only one-half (1/2) of the total credit that would have been allowed on a joint return.

NOTE: The maximum amount of credit established for the current taxable year does not include any unused valid carryover amount(s) from prior taxable years. Because this is a nonrefundable credit, the total amount of available credit [current year plus any valid carryover amount(s)] that a taxpayer may use for the taxable year cannot be greater than the tax liability shown.

If the allowable tax credit is more than an individual's tax, or if the individual has no tax, that taxpayer may carry the unused credit forward for up to the next five consecutive taxable years' income tax liability.

Taxpayers cannot claim both a tax credit and an itemized deduction for the amount of contributions made to a qualifying foster care charitable organization for which they are claiming a credit.

Taxpayers may qualify for this credit, however, if they make cash contributions to a qualified foster care charity through an Umbrella Charitable Organization (UCO). An UCO is a charitable organization that collects donations on behalf of member charities and directs that donation as designated by the taxpayer to a qualifying foster care charitable organization certified by the department.

In this case, 100% of the donation to a specific qualifying foster care charitable organization, or to a specific fund of the UCO, must be distributed to a qualifying foster care charitable organization certified by the Department.

The UCO will need to provide taxpayers with a receipt of their donation that specifies the qualifying foster care charity or fund to whom the donation is designated and certifies that 100% of the donation will be distributed to the named charity. If a fund is designated, then the receipt should certify that 100% of the fund is distributed to a qualifying foster care charitable organization certified by the Department.

NOTE: Taxpayers may be able to make contributions to these charities through their payroll withholding. A taxpayer can contact their employer and ask to withhold contributions for this credit from the taxpayer's pay.

For more information about this credit, see the Department's publication, Pub 710, *Credit for Contributions to Qualifying Charitable Organizations*.

What is a Qualifying Foster Care Charitable Organization?

A qualifying foster care charitable organization is a qualifying charitable organization that each operating year provides services to at least 200 qualified individuals in Arizona. The charity must spend at least 50% of its budget on services to qualified individuals in this state.

"Qualified individual" means a child placed in a foster home or child welfare agency or a person who is under 21 years of age and who is participating in a transitional independent living program.

"Foster home" means a home maintained by any individual or individuals having the care or control of minor children, other than those related to each other by blood or marriage, or related to such individuals, or who are legal wards of such individuals.

NOTE: For more information on what is a qualifying charitable organization, see the instructions for Form 321.

How Can Taxpayers Tell if a Charity Qualifies?

In order to qualify, a foster care charity must provide the Department with written certification that it meets the criteria necessary to be considered a qualifying foster care charity. To see if a particular charity qualifies, visit the Department's website and click on Tax Credits and select Contributions to QCOs and QFCOs to see a list of the qualifying charities.

- For donations made in 2025 - use the 2025 list.
- For donations made from January 1, 2026 to April 15, 2026 - use the 2026 list.



Arizona Form 322

Credit for Contributions Made or Fees Paid to Public Schools

NOTE: Taxpayers must also complete Arizona Form 301, *Nonrefundable Individual Income Tax Credits and Recapture*, and include Forms 301 and 322 with their tax return to claim this credit.

Taxpayers must include each public school's nine-digit *County Code, Type Code, District Code, & Site Number* (CTDS) code on the credit form for which they are claiming a credit. Taxpayers may obtain the CTDS code by visiting Arizona Department of Education's public school search webpage at <http://www.ade.az.gov/edd> or they may visit the Arizona Department of Revenue's website at www.azdor.gov/tax-credits/public-school-tax-credit under Tax Credits.

Arizona law provides a credit for cash contributions made and certain fees paid to public schools in Arizona. "Public school" means a school that is part of a school district, a joint technical education district, or a charter school.

This credit is available **only** to individuals. Corporations may not claim this credit. A partnership may not pass the credit through to its partners. An S corporation may not pass the credit through to its shareholders.

The credit is equal to the amount contributed or the amount of fees paid. The maximum amount of credit a taxpayer can establish for the current taxable year for contributions or fees paid is \$200 for single taxpayers or heads of household. For married taxpayers filing a joint return, the maximum amount of credit that can be established for the current taxable year is \$400. In most cases, for married taxpayers who file separate returns, each spouse may claim only one-half (1/2) of the credit that would have been allowed on a joint return.

NOTE: The maximum amount of credit established for the current taxable year does not include any unused valid carryover amount(s) from prior taxable years. Because this is a nonrefundable credit, the total amount of available credit [current year plus any valid carryover amount(s)] that a taxpayer may use for the taxable year cannot be greater than the tax liability shown.

If the allowable tax credit is more than an individual's tax, or if the individual has no tax, that taxpayer may carry the unused credit forward for up to the next five consecutive taxable years' income tax liability.

Credit eligible contributions made or fees paid to a public school from January 1, 2026 to April 15, 2026 may be used as a tax credit on either a 2025 or 2026 Arizona income tax return.

Taxpayers cannot claim both a tax credit and an itemized deduction for contributions made to a public school for which they are claiming a credit.

If claiming this credit in 2025 for contributions made from January 1, 2026 to April 15, 2026, taxpayers must make an adjustment on their 2026 Arizona Form 140 Schedule A; Form 140PY Schedule A(PY) or A(PYN); or Form 140NR Schedule A(NR).

Taxpayers may be able to make credit eligible contributions to a public school through payroll withholding. They can check with their employers to see if the employer has agreed to withhold contributions that qualify for this credit from employee pay.

To qualify for the credit, taxpayers must make contributions or pay fees to a public school located in this state for the following public school purposes:

- standardized testing for college credit or readiness offered by a widely recognized and accepted educational testing organization,
- the career and technical education industry certification assessment,
- preparation courses and materials for standardized testing,
- cardiopulmonary resuscitation training,
- extracurricular activities, and
- character education programs.
- From and after June 30, 2019 through June 30, 2029, contributions or fees paid for the following items qualify:
 - (a) acquiring capital items, as defined in the uniform system of financial records, including those items listed in section 15-903, subsection c, paragraphs 2 through 8,
 - (b) community school meal programs,
 - (c) student consumable health care supplies, and
 - (d) playground equipment and shade structures for playground equipment.

"Standardized testing for college credit or readiness" includes the SAT, PSAT, ACT, advanced placement, international baccalaureate diploma tests, and other similar tests.

"Widely recognized and accepted educational testing organization" means the College Board, the ACT, the international baccalaureate, and other organizations widely recognized and accepted by colleges and universities in the United States and offer college credit and readiness examinations.

"Career and technical education industry certification assessment" means an assessment for career and technical preparation programs for pupils.

NOTE: Taxpayer contributions for the support of standardized testing fees, career, and technical education industry certification assessments, preparation courses, or materials for standardized testing, must be made directly to the public school located in Arizona. Contributions made to any other organization will not qualify for this credit.

A character education program is a program defined in Arizona Revised Statutes (A.R.S.) § 15- 719. Under this statute, each district may develop its own course of study for each grade. At a minimum, the character education program must include instruction in the definition and application of at least six of the following character traits: truthfulness, responsibility, compassion, diligence, sincerity, trustworthiness, respect, attentiveness, obedience, orderliness, forgiveness, and virtue.

Extracurricular activities are school-sponsored activities that may require enrolled students to pay a fee in order to participate. The activities must supplement the school's education program and may be educational or recreational.

Each school district will determine what activities are extracurricular activities for each public school located in that district. Extracurricular activities may include the following:

- use of band uniforms,
- use of equipment or uniforms for varsity athletics,
- use of scientific laboratory equipment or materials, and
- in-state or out-of-state trips that are solely for competitive events.

Extracurricular activities do not include any senior trips or events that are recreational, amusement, or tourist activities.

Taxpayers must make cash contributions or pay fees to a public school or charter school located in Arizona. The school must provide instruction in grades kindergarten through 12.

Contributions made or fees paid to any of the following do not qualify for this credit:

- nongovernmental school,
- a pre-school,
- a community college,
- a university, or
- a public school located outside of Arizona.

Before claiming this credit, taxpayers need to make sure the public school issues a receipt for the contributions or qualifying fees paid. The receipt should show all of the following:

- name of the public school,
- name and number of the school district,
- name of the taxpayer,
- amount paid or contributed,
- date paid or contributed, and
- a description of the activity for which the contributions were made or the fees paid.

Taxpayers will keep this receipt with their tax records. For more information on school tax credits, see the Department's publication, Pub 707, *School Tax Credits*.



Arizona Form 323

Credit for Contributions to Private School Tuition Organizations

NOTE: Taxpayers must also complete Arizona Form 301, *Nonrefundable Individual Income Tax Credits and Recapture*, and include Forms 301 and 323 with their tax return to claim this credit.

Arizona law provides a credit for contributions made to a private school tuition organization that provides scholarships or grants to qualified schools. This credit is available only to individuals. Corporations may not claim this credit. A partnership may not pass the credit through to its partners. An S corporation may not pass the credit through to its shareholders.

The credit is equal to the amount contributed. For 2025, the maximum amount of credit a taxpayer can establish for the current taxable year is \$769 for single taxpayers or heads of household. For married taxpayers who file a joint return, the maximum credit that can be established for the current taxable year is \$1,535. In most cases, for married taxpayers who file separate returns, each spouse may claim only one-half (1/2) of the credit that would have been allowed on a joint return.

NOTE: The maximum amount of credit established for the current taxable year does not include any unused valid carryover amount(s) from prior taxable years. Because this is a nonrefundable credit, the total amount of available credit [current year plus any valid carryover amount(s)] a taxpayer may use for the taxable year cannot be greater than the tax liability shown.

The credit eligible contributions made to a school tuition organization from January 1, 2026 to April 15, 2026 may be used as a tax credit on either a 2025 or 2026 Arizona income tax return.

If the allowable tax credit is more than an individual's tax, or if the individual has no tax, that taxpayer may carry the unused credit forward for up to the next five consecutive taxable years' income tax liability.

A private school tuition organization is an organization that meets all of the following:

- The organization is tax exempt under Section 501(c)(3) of the Internal Revenue Code (IRC).
- The organization allocates at least 90% of its annual revenue from contributions to educational scholarships or tuition grants.
- The organization makes its scholarships or grants available to students of more than one qualified school.

A "qualified school" means a preschool that offers services to students with disabilities, nongovernmental primary, or a secondary school located in Arizona. The school cannot discriminate on the basis of race, color, handicap, familial status, or national origin and requires all teaching staff and personnel who have unsupervised contact with students to be fingerprinted. A "qualified school" does not include a charter school or programs operated by a charter school. The primary school must begin with kindergarten and the secondary school must end with grade 12.

In the case of a preschool that offers services to students with disabilities, a “student with disabilities” is a student who has any of the following conditions:

- hearing impairment
- visual impairment
- developmental delay
- preschool severe delay
- speech and/or language impairment.

NOTE: The Arizona Department of Revenue is required to certify school tuition organizations. The Department maintains a list of currently certified school tuition organizations on its website at www.azdor.gov.

To qualify for the credit, all contributions must be made to a certified school tuition organization. To determine if contributions made in 2025 and/or 2026 qualify for this credit, taxpayers should verify that the school tuition organization they made a contribution to is certified for the year of the contribution. For a list of school tuition organizations certified to receive donations for the individual income tax credit, see the Department’s website.

A taxpayer’s donation to the school tuition organization will not qualify for the credit if they designate the donation for the direct benefit of a dependent.

NOTE: A taxpayer’s donation will also not qualify if they designate a student beneficiary as a condition of contribution to the school tuition organization. Also, the tax credit is not allowed if the taxpayer agrees with another person to designate each other’s contributions to the school tuition organization for the direct benefit of each other’s dependent, a practice commonly known as swapping.

Taxpayers cannot claim both a tax credit and an itemized deduction for the amount of contributions made to a private school tuition organization for which they are claiming a credit.

If claiming this credit in 2025 for a donation made from January 1, 2026 to April 15, 2026, taxpayers must make an adjustment on their 2026 Arizona Form 140 Schedule A; or Form 140PY Schedule A(PY) or A(PYN); or Form 140NR Schedule A(NR).

Before claiming this credit, taxpayers want to make sure the school tuition organization issues them a receipt for the contribution. The receipt should show all of the following:

- name and address of the school tuition organization
- name of the taxpayer
- amount paid
- date paid and
- the tax year for which the taxpayer will claim the contribution

Taxpayers should keep this receipt with their tax records. For more information on school tax credits, see the Department’s publication, Pub 707, *School Tax Credits*.

NOTE: Taxpayers may be able to make credit eligible contributions to a school tuition organization through payroll withholding. They can check with their employer to see if that employer has agreed to withhold contributions that qualify for this credit from employee pay.

Arizona Form 348
Credit for Contributions to Certified
School Tuition Organization

(For contributions that exceed the maximum allowable credit on Arizona Form 323)

NOTE: Taxpayers must also complete Arizona Form 301, *Nonrefundable Individual Income Tax Credits and Recapture*, and include Forms 301 and 348 with their tax return to claim this credit.

Arizona law provides an individual income tax credit for the voluntary cash contributions made to a certified school tuition organization in order to improve education by raising tuition scholarships for children in Arizona. This credit is available only to individuals. Corporations may not claim this credit, and a partnership may not pass the credit through to its partners. An S corporation may not pass the credit through to its shareholders.

The credit is equal to the amount contributed after the maximum amount that can be claimed on Form 323 is contributed. The maximum credit for single taxpayers or heads of household is \$766. For married taxpayers who file a joint return, the maximum credit is \$1,527. In most cases, for married taxpayers who file separate returns, each spouse may claim only one-half (1/2) of the credit that would have been allowed on a joint return.

NOTE: The credit eligible contributions made to a certified school tuition organization from January 1, 2025 to April 15, 2025 may be used as a tax credit on either a 2024 or 2025 Arizona income tax return.

If the allowable tax credit is more than an individual's tax or if an individual has no tax, a taxpayer may carry the unused credit forward for up to the next five consecutive taxable years' income tax liability.

A certified school tuition organization is an organization that meets **all** of the following:

- The organization is tax exempt under Section 501(c) (3) of the Internal Revenue Code.
- The organization allocates at least 90% of its annual revenue for educational scholarships or tuition grants.
- The organization makes its scholarships or grants available to students of more than one qualified school.

A "*qualified school*" means a preschool that offers services to students with disabilities and is a nongovernmental primary or a secondary school located in Arizona. The school cannot discriminate on the basis of race, color, handicap, familial status, or national origin and requires all teaching staff and personnel who have unsupervised contact with students to be fingerprinted. A "*qualified school*" does not include a charter school or programs operated by a charter school. The primary school must begin with kindergarten and the secondary school must end with grade 12.

In the case of a preschool that offers services to students with disabilities, a "*student with disabilities*" is a student who has any of the following conditions:

- hearing impairment
- visual impairment
- developmental delay
- preschool severe delay
- speech and/or language impairment.

NOTE: The Arizona Department of Revenue is required to certify school tuition organizations. This list can be found at www.azdor.gov under Tax Credits.

To determine if contributions made in 2025 and/or 2026 qualify for this credit, taxpayers should ask the organization if it meets all of the requirements. A donation to the school tuition organization will not qualify for the credit if a taxpayer designates the donation for the direct benefit of their dependent.

NOTE: Donations will also not qualify if taxpayers designate a student beneficiary as a condition of contribution to the school tuition organization. Additionally, the tax credit is not allowed if a taxpayer agrees with another person to designate each other's contributions to the school tuition organization for the direct benefit of each other's dependent, a practice commonly known as swapping.

A taxpayer cannot claim both a tax credit and an itemized deduction for the amount of contributions made to a certified school tuition organization for which they are claiming a credit. If claiming this credit in 2025 for a donation made from January 1, 2026 to April 15, 2026, the taxpayer must make an adjustment on the 2026 Arizona Form 140, Schedule A, *Itemized Deductions Adjustments*.

Before claiming this credit, taxpayers want to make sure the school tuition organization issues a receipt for the contributions. The receipt should show **all** of the following:

- the name and address of the school tuition organization
- the name of the taxpayer
- the date and amount paid

Taxpayers will want to keep this receipt with their tax records.

NOTE: Taxpayers may be able to make credit eligible contributions to a school tuition organization through payroll withholding.



Arizona Form 340

Credit for Donations to the Military Family Relief Fund

NOTE: Taxpayers must also complete Arizona Form 301, Nonrefundable Individual Income Tax Credits and Recapture, and include Forms 301 and 340 with their tax return to claim this credit.

Arizona law allows a credit for cash donations made to the Military Family Relief Fund. The Arizona Department of Veterans' Services (ADVS) established two subaccounts (pre-9/11 and post-9/11) for which a donor must designate which account the donor wishes the donation to be deposited into. For donations made during tax year 2025, a taxpayer's receipt should show which subaccount their donation was deposited into.

If a receipt does not specifically show which subaccount the donation was deposited into, the taxpayer will enter the amount of the donation on line 3 of Form 340 (post-9/11 subaccount.)

If the donation qualifies, the credit will be the smaller of 1 through 4 below:

1. The amount the taxpayer donated to the fund during the taxable year.
2. If the taxpayer is single or head of household, \$200.
3. If the taxpayer is married filing a joint return, \$400. If filing separate returns, each spouse may claim only one-half (1/2) of the credit that would have been allowed on a joint return (up to a maximum of \$200 each). The individual tax liability for the taxable year.

Please note there is no carry forward for this credit. Taxpayers must use this credit on the tax return filed for the taxable year for which they made their donation.

This credit is also available only to individuals. Corporations may not claim this credit. A partnership may not pass the credit through to its partners. An S corporation may not pass the credit through to its shareholders.

Taxpayers cannot claim both a tax credit and an itemized deduction for their donation.

Before they claim this credit, taxpayers must have received a receipt from the Arizona Department of Veterans' Services and must show all of the following:

- the taxpayer's full name
- the taxpayer's address
- the last four digits of the taxpayer's SSN
- the amount the taxpayer donated
- the taxpayer's donation qualifies for the credit

Military Family Relief Fund

The Arizona Department of Veterans' Services administers the Military Family Relief Fund which helps service members and their families faced with unforeseen expenses when a loved one becomes a casualty of war. Taxpayer donations to the fund may qualify for this income tax credit. Donations to the fund will qualify for the credit if the total amount donated to the fund during the calendar year has not exceeded one million dollars.

Donations made to the fund once the total donations for the calendar year reach one million dollars will not qualify for the credit. The determination of whether a donation will qualify for the credit is made on a first come, first served basis.

The Arizona Department of Veterans' Services will provide you with a receipt that will let taxpayers know if their donation qualifies for the credit. The Arizona Department of Veterans' Services will also send a copy of that receipt to the Arizona Department of Revenue.



Arizona Form 355

Pass Through-Entity (PTE) Tax Credit

Beginning with tax year 2022, Arizona allows an individual partner or an individual shareholder of a partnership/S Corporation a nonrefundable tax credit for the taxes paid by the PTE on the individual's behalf for their share of the income distributed to the partner/shareholder. If the allowable credit exceeds the taxes otherwise due on the claimant's income, or if there are no taxes due, the amount of the claim not used to offset taxes may be carried for not more than five consecutive taxable years as a credit against subsequent years' income tax liability. Arizona Revised Statute § 43-1077.

For more information, see Credit Form 355, *Credit for Entity-Level Tax*, and instructions.

An individual taxpayer who claims the allowable PTE tax credit, must also adjust their Arizona gross income by adding the amount of the tax payment made by the PTE for which the tax credit is claimed.



Payment and Extension Information

NOTE: The Department cannot accept checks or money orders in foreign currency. Payment must be made in U.S. dollars.

Payment by e-Check or Credit Card via www.AZTaxes.gov

This option is available to electronic and paper filers. Use e-check or credit card option to pay any of the following:

- tax liability payment
- extension payment*
- quarterly estimated tax payment**

*If filing *under a federal extension*, taxpayers do not file Arizona Form 204 (filing extension form) when using e-check or credit card option to make an Arizona extension payment. Arizona Form 204 is only required when making extension payments by check or money order.

**Do not file Arizona Form 140ES (estimated tax payment form) when making a payment using e-check or credit card option. Arizona Form 140ES is only required when making estimated payment by check or money order.

Electronic Payment from Checking or Savings Account

There is no fee to use this payment method. To make an electronic payment, taxpayers can go to www.AZTaxes.gov and click on the "Make an Individual/Small Business Income Payment" link. The "E-Check" option in the "Payment Method" drop-down box will debit the amount from the checking or savings account specified. **Note:** A returned unpaid payment (electronic or paper) from a bank is subject to a \$50 fee.

Credit Card Payment

Taxpayers can pay with a Visa, MasterCard, Discover, or American Express credit card. They can go to www.AZTaxes.gov and click on the “Make an Individual/Small Business Income Payment” link and choose the credit card option. This will take them to a third-party vendor site (provider). The provider will charge a convenience fee based on the amount of the tax payment. The provider will tell taxpayers what the fee is during the transaction; they will have the option to continue or cancel the transaction. If a taxpayer completes the credit card transaction, the individual will receive a confirmation number. Taxpayers will keep this confirmation number as proof of payment.

Installment Payments

If you cannot pay the full amount shown on your tax return when you file, you may request to make monthly installment payments. All payment arrangements for individual income tax can be made online at www.AZTaxes.gov. Please select the “Request a Payment Plan” option under the Individual section.

E-File Your Arizona Filing Extension

Taxpayers can visit www.azdor.gov and look for the E-file Services tab at the bottom of the homepage and select “Free Electronic Filing for Individuals.” This page provides information about electronic filing and free filing options.

Note: If filing under a federal extension, taxpayer will not submit Arizona Form 204. They will **check box 82F** when preparing their Arizona tax return and file by the extended due date of October 15. To avoid an extension penalty, **90% of the tax due must be paid by April 15**. For fiscal year filers, Arizona tax returns are due the 15th day of the fourth month following the close of the taxpayer’s fiscal year.



Filing Tips to Avoid Delays

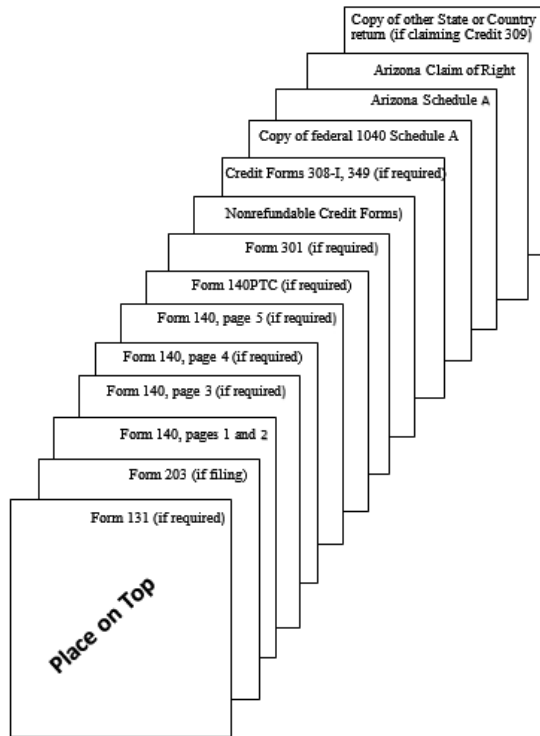
Consider filing electronically. It is faster and easier, and refunds may be received in as little as five business days with direct deposit.

If the taxpayer is mailing the tax return, see form instructions for the form filed for information regarding how to assemble the return (form sequence). Below is a sample of a sequence for filing Form 140. See the instructions for Form 140 for actual filing sequence (including other forms and schedules not shown below)

If you are filing Arizona Form 140-SBI, Small Business Income, place this form before Form 140.

NOTE: If you are filing Arizona Form 140-SBI, **DO NOT MAIL THIS RETURN SEPARATELY**. Include this return with your Form 140 in the same envelope.

If you completed Arizona Schedule DFE, Disallowed Federal Expense Schedule for Marijuana Establishments, place after page 6.



Filing

- Check the math for accuracy.
- Verify the full social security number(s) are entered and accurate.
- Ensure dependent information is incomplete.
- Look for illegible or hard to read hand-written data on the tax return.
- Make sure the return is complete.
- Print in black ink on white paper.
- Avoid spills that mar the barcode, or other damage to the barcode.
- Verify the correct routing number for the bank.
- Verify the correct account number for the bank.
- Attach all required documentation for the Arizona Form 140PTC including a W-2, Proof of Property Tax Paid, Renter Certificate (Form 201), Supplemental Security Income (SSI) statement.
- Claim both the Property Tax Credit and Excise Tax Credit using only the Arizona Form 140PTC if applicable.
- File an Arizona extension if you cannot file Form 140PTC by April 15, or you will lose the credit.
- Complete Arizona Form 131 to claim a refund for a decedent. Ensure there is not a

missing copy of the death certificate, because this will cause the Arizona Form 131 from processing timely if claiming a refund on behalf of a decedent.

- Note that Social Security Income is not the same as Supplemental Security Income when determining if you qualify for the property tax credit for those who are not 65 years or older.
- Verify your standard deduction amount is accurate for your filing status.
- Complete Arizona Form 200 for Innocent Spouse Relief and Separation of Liability.

Payment

- Verify correct payment is attached to the return. Often payments received by the Department are intended for the IRS.
- Provide the tax type or form number (140, 140NR, 140ES, etc.) that the payment is intended for if payment is sent separately, in addition to the identifying taxpayer ID number and tax year.
- Include the identifying taxpayer ID number of the “**primary**” taxpayer on the check or money order if sending a payment with your tax return.
- Income tax payments and returns are timely by the postmark date. Anything postmarked after the due date will be late and are assessed penalties.

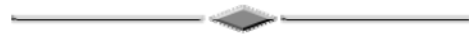
Mailing

- Send each tax return with corresponding payment in a separate envelope if you are filing multiple tax years.
- Sign and date your tax return. If married and filing a joint return with your spouse, your spouse must also sign the tax return.
- Call the Department to have your address changed if you moved and the address is different from the address submitted on the return. The Post Office will not forward a tax refund.
- Make a copy of your return before you file it.
- Make sure there is enough postage if mailing.
- Include a voucher with the payment if not sending it with the return. The Department spends time researching and connecting the payment to an account if no return or voucher is included thus delaying the process.

Processing

- Allow processing of the original return before submitting the amended tax. Amended tax returns submitted between January 1 and April 15 can take a minimum of 12 weeks to complete processing.
- Fill out Arizona Form 285 (POA) and file to authorize an appointee to discuss tax matters about a tax return if applicable.

Do not resubmit return prior to the anticipated processing timeframe according to delivery type.



Arizona Individual Income Tax Forms at a Glance

	140	140A	140EZ	140PY	140NR	140ET *	140PTC**
Filing Status							
Single	X	X	X	X	X	X	X
Married Filing Jointly	X	X	X	X	X	X	X
Married Filing Separately	X	X		X	X	X	X
Head of Household	X	X		X	X	X	X
Arizona Taxable Income							
\$0 - \$50,000	X	X	X	X	X	X	X
\$50,000 and above	X			X	X		
Exemptions							
Age 65 or Older	X	X		X	X		
Blind	X	X		X	X		
Qualifying Parents or Grandparents	X	X		X	X	X	
Other Exemptions	X	X		X	X	X	
Other Factors							
Increased Standard Deduction for Charitable Contributions	X			X	X		
Itemize Deductions	X			X	X		
Dependent Tax Credit	X	X		X	X		
Family Tax Credit	X	X	X	X			
Tax Credits	X			X	X		
Active Duty Pay US Armed Forces, National Guard or Reservists	X						

* 140ET is designed to be used by certain taxpayers who are not required to file an income

tax return and do not qualify for the property tax credit on Form 140PTC. In this case, taxpayers must mail Form 140ET to the department.

** 140PTC is used to claim the property tax credit. Eligible taxpayers can use this form and include it with the return, or file it separately to claim the credit if the taxpayer has no other requirement to file. If Form 140PTC is filed separately, it must be mailed to the Department.