

## AZ Procedures for Out of State Returns (STAP)

**SUMMARY:** AARP Tax-Aide policy mandates that counselors may neither prepare nor QR an out-of-state return unless they are properly trained and certified for that state.

There are some specific circumstances where AZ Tax-Aide Counselors may prepare an out-of-state tax return. All other out-of-state returns must be made through AARP's **State Tax Assistance Program (STAP)**. The STAP program specifics are found on the AZ state website > Tools & Info page > STAP.

### OUT-OF-STATE RETURNS WHICH WE CAN PREPARE

**Based on WITHHOLDING:** Arizona Tax-Aide counselors may prepare out-of-state returns for full-year Arizona residents who present a tax document that:

- 1) does not trigger a filing requirement in the non-Arizona state,
- 2) does not show income earned in a non-Arizona state, only withholding amount(s) for that state.
- 3) the taxpayer did not reside in the non-Arizona state at any time during the tax year.

**Based on INTAKE SHEET:** A "*Participating States Intake Sheets*" document and instructions are posted on the AZ website > Tools & Info page > State Tax Assistance Program (STAP).

For states with their own State Intake Sheet, an AZ counselor must download the non-AZ Intake Sheet and have the taxpayer fill it out. If the completed non-AZ Intake Sheet indicates that NO additional state inputs are required, -- such as for income exclusion or tax credit (except income allocation) -- then the AZ counselor may complete the resident return for the "other" state, and if needed, a non-resident AZ return. It is still recommended to use the STAP program as taxpayers may not complete the Intake Form accurately.

**Use of STAP:** The STAP program aids in completing state returns for which a volunteer has not been trained as per AARP Policy. State returns other than the ones listed as Out of Scope (below) should be cross-referenced with the "*Participating States TY25*" document found in the STAP folder. If the desired state is listed, an AZ counselor may use the STAP TY25 program to proceed with the out-of-state return.

(Note: This process will require additional time to complete, which may require a taxpayer second visit)

**Friends & Family:** All Family & Friends properly tagged returns are exempt from the above rules.

### RETURNS WE CAN NOT PREPARE:

**OUT OF SCOPE:** Arizona counselors **cannot** do: **CA, NJ or NY** tax returns. (unless a counselor & QR are specifically certified for the state and have LC/DC approval).

- Florida, Nevada, South Dakota, Tennessee, Texas and Wyoming do not have state income taxes.
- All other taxpayer requests require the use of the STAP resources as designed and supported by AARP Tax-Aide for the 42 states included in the program.
- This plan will allow us to continue to serve the majority of simple out-of-state returns but will require the use of the AARP STAP program for any out-of-state returns that have special income exemptions or tax credits.