



## 2023 Arizona Tax Credit for C-Corporations

*C-Corporations (C-Corps) with an Arizona state tax or insurance premium tax liability can assist low-income or disabled/displaced children obtain scholarships to receive a quality education.*

*Arizona Law, A.R.S. Section 43-1183 and HB2153, allows C-Corps to receive a **dollar-for-dollar tax credit** against their Arizona state tax liability by making donations to Arizona Tuition Connection, a non-profit organization.*

### Arizona Tuition Connection



- We are a state approved, non-profit, School Tuition Organization.  
EIN#461879761
- We work with every qualified school in the state.

### Arizona Tax Credit Program Facts

- Donating corporations do not have to be based in Arizona. The only criteria to receive the tax credit is that an Arizona state or insurance premium tax liability exists.
- Corporations receive a **dollar-for-dollar tax credit** against their Arizona state taxes or insurance premium tax.
- Unused credits can be carried forward for up to 5 years.
- There is no maximum donation amount, but the state does assign an annual overall cap. The cap for 2023 is approximately \$158M for the low-income, and \$6M for the disabled/displaced tax credit.
- Corporate tax credits are issued on a first-come, first-serve basis until the cap is reached.
- A corporation can direct its donation to a specific school but cannot direct the donation to an individual student.

### NEXT STEPS:

1. Identify your company's Arizona corporate income or insurance premium tax liability and determine how much you would like to donate.
2. Complete the non-binding Pledge Form. This one-page form can be obtained by contacting Tim Kuhn at [tim@arizonatuitionconnection.com](mailto:tim@arizonatuitionconnection.com) or at 480-409-4106.
3. Arizona Tuition Connection will contact the Arizona Department of Revenue (ADOR) – initiating the approval process for the tax credit.
4. Once approval has been received, the corporation has 20 days to send their donation to Arizona Tuition Connection. Arizona Tuition Connection notifies the DOR that payment has been received and issues a receipt to the corporation.
5. When completing the corporate taxes, the tax credit amount and approval number is utilized on the Standard 120 Form and 335 Form.