

# Arizona Tax Credit Summary

## Public Schools - Form 322

- A credit of up to \$400 for "married filing joint" and \$200 filing as a single.
- Funds used for Arizona public schools or charter schools for extracurricular activities. Examples of these activities include field trips, sporting activities, and fine arts.
- Specific students can be designated for these donations or to a central fund at the school.
- Donations must be made directly to the school or school district.
- Credit can carry forward for up to 5 years.
- Fees or donations made between January 1<sup>st</sup> 2023, and April 15<sup>th</sup> 2024, can be claimed as a credit on your 2023 or 2024 state tax return.

## Qualified Charitable Organization - Form 321

- A credit of up to \$841 for "married filing joint" and \$421 filing as a single.
- Qualified Charitable Organizations must be approved by the state and have a valid "code" at the time of the donation.
- Donations can be made to the organization or through Umbrella Organizations.
- Credit can carry forward for up to 5 years.
- Fees or donations made between January 1<sup>st</sup> 2023, and April 15<sup>th</sup> 2024, can be claimed as a credit on your 2023 or 2024 state tax return.

## Qualifying Foster Care Charitable Organizations - Form 352

- A credit of up to \$1,051 for "married filing joint" and \$526 filing as a single.
- Qualified Foster Care Charitable Organizations must be approved by the state and have a valid "code" at the time of the donation.
- Donations can be made to the organization or through Umbrella Organizations.
- Credit can carry forward for up to 5 years.
- Fees or donations made between January 1<sup>st</sup> 2023, and April 15<sup>th</sup> 2024, can be claimed as a credit on your 2023 or 2024 state tax return.

## Arizona Military Family Relief Fund - Form 340

- Contributions must be made to the Arizona Military Family Relief Fund (MFRF). The MFRF provides financial assistance for active-duty service members, veterans, and their families. Financial assistance is made available to assist with hardships caused by and related to combat zone deployment.
- The donations to this fund are capped at \$1M per year.

## **Private School Tuition Organizations - Form 323 and 348**

- Donations must be made through a School Tuition Organization (STO).
- Funds used for tuition for kids attending K-12 private schools in Arizona.
- Maximums: \$2,609 filing jointly, \$1,307 filing as a single.
- Credit can be carried forward for up to 5 years.
- Donor can recommend a student or school receive the donation.
- Original tax credit contribution form 323. Plus, "Switcher" form 348.
- Donations made between January 1<sup>st</sup>, 2023, and April 15<sup>th</sup>, 2024, can be claimed as a credit on either your 2023 or 2024 state tax return.

## **S-Corp and LLCs that file as S-Corps Private School Tuition Credits Passed Through to its Individual Shareholders**

- Used to support tuition costs for low-income and/or disabled/displaced students.
- The corporation must be pre-approved to make the donation through a school tuition organization (STO). The STO will provide the corporation with an approval number upon receiving approval.
- S corporation claims the approved corporate private school tuition tax credits on AZ Form 335 and/or 341.
- An S corporation elects to pass through the credits to its individual shareholders.
- The S corporation must provide its shareholders with AZ Form 335-S and/or 341-S. The shareholders then use AZ Form 335-1 and/or 341-1 to claim the credits on their personal tax returns.
- These credits may be claimed in addition to the two individual private school tuition credits and are not subject to limitations that apply to the individual private school tuition credits.
- Minimum Donation is \$5,000.
- Credit can be carried forward for up to 5 years.

### **(C-Corp Private School Tuition Credits)**

- Used to support tuition costs for low-income and/or disabled/displaced students.
- The corporation must be pre-approved to make the donation through a school tuition organization (STO). The STO will provide the corporation with an approval number upon receiving approval.
- C corporation claims the approved corporate private school tuition tax credits on AZ Form 120 and/or 335.
- Minimum Donation of \$5,000.
- Credit can be carried forward for up to 5 years.