

2023 Nonrefundable Corporate Tax Credits and Recapture

For information or help, call one of the numbers listed:

Phoenix (602) 255-3381
 From area codes 520 and 928, toll-free (800) 352-4090

Tax forms, instructions, and other tax information

If you need tax forms, instructions, and other tax information, go to the department's website at www.azdor.gov.

Income Tax Procedures and Rulings

These instructions may refer to the department's income tax procedures and rulings for more information. To view or print these, go to our website and select *Reports & Legal Research*. On the next page, click on *Legal Research*. Select a Document Type and a Category from the drop down menus. If you know the document ID number you may enter it in the Search field and then press enter.

Publications

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General Instructions

Arizona Form 300 may only be used by corporate taxpayers or exempt organizations with unrelated business taxable income (UBTI) to claim tax credits. Individual taxpayers must use Arizona Form 301 to claim tax credits.

Corporate taxpayers and exempt organizations with UBTI complete this form:

- to summarize their total available nonrefundable tax credits,
- to determine the application of the available nonrefundable tax credits, and
- to calculate their tax liability related to the recapture of tax credits.

The credits are available to an exempt organization that is subject to corporate income tax on UBTI. The credit must result from the activities that generate UBTI.

NOTE: *You must include Form 300 and the corresponding credit form(s) for which you computed your credit(s) with your income tax return. Use Arizona Form 300 to:*

- Summarize your total available nonrefundable tax credits.
- Determine the application of the available tax credits.
- Summarize your tax liability related to recapture of tax credits.
- Claim any available credit carryover.

Form 300 is not required to be included with your return to claim the following refundable credits. You must, however, include the completed refundable credit form with your tax return.

- *The refundable portion of the Credit for Increased Research Activities (Form 308), or*
- *The Credit for Qualified Facilities (Form 349).*

Specific Instructions

Enter the taxpayer name and employer identification number (EIN) as shown on Arizona Form 99T, 120, 120A, 120S, or 120X. Indicate the period covered by the taxable year.

All returns, statements, and other documents filed with the department require a taxpayer identification number (TIN). The TIN for a corporation, an exempt organization with UBTI, or

an S corporation is its EIN. Taxpayers that fail to include their TIN may be subject to a penalty.

Part 1 - Nonrefundable Tax Credits Available

Complete Part 1 to determine the total amount of available nonrefundable tax credits. The available tax credit amount for a particular credit is the total of the current taxable year's credit and any available credit carryovers from prior taxable years. On lines 1 through 17, enter the available tax credit amount for each of the credits listed.

Line 1 - Credit for Increased Research Activities

If you are claiming a refund of 75% of current year's excess credit:

Column (a): Enter the amount from Form 308, line 38(c).

Column (b): Enter "0". No carry forward of any amount is allowed from the year of the refund.

Column (c): Enter the amount from column (a).

If you are NOT claiming a refund of 75% of current year's excess credit:

Column (a): Enter the amount from Form 308, line 72.

Column (b): Enter the amount from Form 308, line 73.

Column (c): Enter the amount from Form 308, line 74.

Line 2 - Pollution Control Credit

Column (a): Enter the amount from Form 315, line 25.

Column (b): Enter the amount from Form 315, line 26.

Column (c): Enter the amount from Form 315, line 27.

Line 3 - Credit for Taxes Paid for Coal Consumed in Generating Electrical Power

Column (a): Enter the amount from Form 318, line 11.

Column (b): Enter the amount from Form 318, line 12.

Column (c): Enter the amount from Form 318, line 13.

Line 4 - Credit for Employment of TANF Recipients

Column (a): Enter the amount from Form 320, line 23.

Column (b): Enter the amount from Form 320, line 24.

Column (c): Enter the amount from Form 320, line 25.

Line 5 - Credit for Donation of School Site

Column (a): Enter the amount from Form 331, line 19.

Column (b): Enter the amount from Form 331, line 20.

Column (c): Enter the amount from Form 331, line 21.

Line 6 - Credit for Employing National Guard Members

Column (a): Enter the amount from Form 333, line 17.

Column (b): Enter the amount from Form 333, line 18.

Column (c): Enter the amount from Form 333, line 19.

Line 7 - Credit for Corporate Contributions to School Tuition Organizations

Column (a): Enter the amount from Form 335, line 20.

Column (b): Enter the amount from Form 335, line 21.

Column (c): Enter the amount from Form 335, line 22.

Line 8 - Credit for Solar Energy Devices - Commercial and Industrial Applications (This credit expired 12/31/2018.)

Column (a): Do not enter an amount.

Column (b): Enter the amount from Form 336, line 4.

Column (c): Enter the amount from column (b).

Line 9 - Credit for Corporate Contributions to School Tuition Organizations for Displaced Students or Students With Disabilities

Column (a): Enter the amount from Form 341, line 20.
 Column (b): Enter the amount from Form 341, line 21.
 Column (c): Enter the amount from Form 341, line 22.

Line 10 - Renewable Energy Production Tax Credit

Column (a): Enter the amount from Form 343, line 14.
 Column (b): Enter the amount from Form 343, line 15.
 Column (c): Enter the amount from Form 343, line 16.

Line 11 - Credit for New Employment

Column (a): Enter the amount from Form 345, line 22.
 Column (b): Enter the amount from Form 345, line 23.
 Column (c): Enter the amount from Form 345, line 24.

Line 12 - Additional Credit for Increased Research Activities for Basic Research Payments

Column (a): Enter the amount from Form 346, line 20.
 Column (b): Enter the amount from Form 346, line 21.
 Column (c): Enter the amount from Form 346, line 22.

Line 13 - Credit for Renewable Energy Investment and Production for Self-Consumption by International Operations Centers

Column (a): Enter the amount from Form 351, line 31.
 Column (b): Enter the amount from Form 351, line 32.
 Column (c): Enter the amount from Form 351, line 33.

Line 14 - Healthy Forest Production Tax Credit

Column (a): Enter the amount from Form 353, line 15.
 Column (b): Enter the amount from Form 353, line 16.
 Column (c): Enter the amount from Form 353, line 17.

Line 15 - Affordable Housing Tax Credit

Column (a): Enter the amount from Form 354, line 20.
 Column (b): Do not enter an amount.
 Column (c): Enter the amount from Form 354, line 22.

Line 16 - Reserved for Future Use

Line 17 - Total Available Nonrefundable Tax Credits

Add lines 1 through 15. Enter the total. This is the total amount of all nonrefundable tax credits available for use by the taxpayer.

Part 2 - Application of Nonrefundable Tax Credits and Recapture

Complete Part 2 to figure any recapture. Also complete Part 2 to determine which tax credits you will use and the portion of the available tax credit amount from Part 1 that you will use for a particular tax credit.

Note for a partner in a partnership: Partnerships with corporate partners or exempt organization partners with UBTI must notify those partners if a credit that the partnership passed through must be recaptured. The partnership should provide the amount of recapture to its partners. Each relevant credit form has a section devoted to this purpose. The partner must then include any of these recapture amounts in the amount of recapture it computes on Form 300.

Note for an exempt organization that is a shareholder in an S corporation: S corporations with exempt organization shareholders must notify those shareholders if a credit that the S corporation passed through must be recaptured. The S corporation should provide the

amount of recapture to its shareholders. Each relevant credit form has a section devoted to this purpose. The exempt organization shareholder with UBTI must then include any of these recapture amounts in the amount of recapture it computes on Form 300.

Line 18 - Current Year's Tax From Tax Return

Enter the amount of tax as follows:

If you filed Form:	See page:	Line number:
99T	1	6
120	1	16
120A	1	8
120S	1	12
120X	1	16, column (c)

Line 19 - Tax From Recapture of Credit for Motion Picture Production Costs

Enter the amount of tax from recapture of the credit for motion picture production costs from Form 334, Part 5, line 15.

Line 20 - Tax From Recapture of Credit For Qualified Facilities

Enter the amount of tax from recapture of the credit for qualified facilities from Form 349, Part 7, line 19.

Line 21 - Tax From Recapture of Credit for Renewable Energy Investment and Production for Self-Consumption by International Operations Centers

Enter the amount of tax from recapture of the credit for renewable energy investment and production for self-consumption by manufacturers from Form 351, Part 2, line 24.

Line 22 - Tax From Recapture of Affordable Housing Tax Credit

Enter the amount of tax from recapture of the affordable housing tax credit from Form 354, Part 2, line 12.

Line 23 - Recapture Total

Add lines 19 through 22. Enter the total. Also, enter the total on your income tax form, as follows:

If you filed Form:	See page:	Line number:
99T	1	7
120	1	17
120A	1	9
120S	1	13
120X	1	17, column (c)

Line 24 - Reserved for Future Use

Line 25 - Subtotal of Tax

Add lines 18 and 23. Enter the total. This is the maximum amount to which the total amount of nonrefundable tax credits used by the taxpayer may be applied.

Nonrefundable Tax Credits Used This Taxable Year

The total amount of nonrefundable tax credits used by the taxpayer cannot exceed the amount entered on line 25. In order for the taxpayer to determine which tax credit(s) to claim and the amount to claim for a particular tax credit, the taxpayer must consider any limitations on the allowable amount of a particular tax credit and whether the unused portion of a particular tax credit may be carried forward.

Line 26 - Credit for Increased Research Activities

- For taxable years beginning before January 1, 2022 this credit may be carried forward to the next 15 consecutive taxable years.
- For taxable years beginning after December 31, 2021, this credit may be carried to the next 10 consecutive taxable years.

NOTE: If you qualify for, and are claiming, a 75% refund of your excess credit for the current year, enter only the nonrefundable portion of the current year's credit from Form 308, Part 7, line 38c. Enter the refundable portion of the credit (the amount from Form 308, Part 7, line 40) on Form 99T, line 12; or Form 120, line 22; or Form 120A, line 14; or Form 120S, line 20; or Form 120X, line 22c. Carry forwards from previous years of the credit for increased research activities will carry over to the following year, provided the credit is within the 15-year carry forward period.

Line 27 - Pollution Control Credit

The unused portion of this tax credit may be carried forward for five succeeding taxable years. Enter the amount used.

Line 28 - Credit for Taxes Paid for Coal Consumed in Generating Electrical Power

The unused portion of this tax credit may be carried forward for five succeeding taxable years. Enter the amount used.

Line 29 - Credit for Employment of TANF Recipients

The unused portion of this tax credit may be carried forward for five succeeding taxable years. Enter the amount used.

Line 30 - Credit for Donation of School Site

The unused portion of this tax credit may be carried forward for five succeeding taxable years. Enter the amount used.

Line 31 - Credit for Employing National Guard Members

The unused portion of this tax credit may be carried forward for five succeeding taxable years. Enter the amount used.

Line 32 - Credit for Corporate Contributions to School Tuition Organizations

The unused portion of this tax credit may be carried forward for five succeeding taxable years. Enter the amount used.

Line 33 - Credit for Solar Energy Devices - Commercial and Industrial Applications

The unused portion of this tax credit may be carried forward for five succeeding taxable years. Enter the amount used.

Line 34 - Credit for Corporate Contributions to School Tuition Organizations for Displaced Students or Students with Disabilities

The unused portion of this tax credit may be carried forward for five succeeding taxable years. Enter the amount used.

Line 35 - Renewable Energy Production Tax Credit

The unused portion of this tax credit may be carried forward for five succeeding taxable years. Enter the amount used.

Line 36 - Credit for New Employment

The unused portion of this tax credit may be carried forward for five succeeding taxable years. Enter the amount used.

Line 37 - Additional Credit for Increased Research Activities for Basic Research Payments

The unused portion of this tax credit may be carried forward for five succeeding taxable years. Enter the amount used.

Line 38 - Credit for Renewable Energy Investment and Production for Self-Consumption by International Operations Centers

The unused portion of this tax credit may be carried forward for five succeeding taxable years. Enter the amount used.

Line 39 - Healthy Forest Production Tax Credit

The unused portion of this tax credit may be carried forward for five succeeding taxable years. Enter the amount used.

Line 40 - Affordable Housing Tax Credit

The unused portion of this tax credit may be carried forward for five succeeding taxable years. Enter the amount used.

Line 41 - Reserved for Future Use

Line 42 - Total Nonrefundable Tax Credits Used

Add lines 26 through 40. Enter the total. This amount cannot exceed the amount entered on line 25. Enter the amount from this line on your income tax form, as follows:

If you filed Form:	See page:	Line number:
99T	1	9
120	1	19
120A	1	11
120S	1	15
120X	1	19, column (c)