
Phone Numbers

If you have questions, please call one of the following numbers:

Phoenix	(602) 255-3381
From area codes 520 & 928 toll-free	(800) 352-4090
Form orders	(602) 542-4260
Hearing impaired TDD user	
Phoenix	(602) 542-4021
From area codes 520 & 928 toll-free	(800) 397-0256

You may also visit our web site at: www.azdor.gov

General Instructions

Arizona law provides a credit for cash contributions made and for certain fees paid to public schools in Arizona. The credit is equal to the amount contributed or the amount of fees paid. However, for single taxpayers or heads of household, the credit cannot exceed \$200. For married taxpayers that file a joint return, the credit cannot exceed \$400. If married taxpayers file separate returns, each spouse may claim only 1/2 of the credit that would have been allowed on a joint return.

If the allowable tax credit is more than your tax or if you have no tax, you may carry the unused credit forward for up to the next 5 years.

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.

To qualify for the credit, you must make contributions or pay fees to a public school for support of extra curricular activities or for character education programs.

A character education program is a program defined in 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.

Extra curricular activities are school sponsored activities that 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 extra curricular activities for each public school located in that district. Extra curricular activities may include:

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

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

You must make 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:

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

You cannot claim both a tax credit and an itemized deduction for the amount of contributions made to a public school for which you are claiming a credit.

Before you claim this credit, make sure that the public school gave you a receipt for the contributions or qualifying fees that you paid. The receipt should show all of the following:

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

For more information on school tax credits, see the Arizona Department of Revenue brochure, Pub 707, *School Tax Credits*. To get a copy of this brochure, visit our web site or call one of the numbers listed on this page of these instructions.

Line-by-Line Instructions

Lines 1a, 1b, and 1c -

Enter the name of the school district of the school to which you made contributions or paid fees. Also enter the name and address of the public school to which you made contributions or paid fees. Enter the amount of contributions or fees paid to the school.

If you made qualifying contributions or paid qualifying fees to 2 schools, also complete line 1b.

If you made qualifying contributions or paid qualifying fees to 3 or more schools, complete an additional schedule. The schedule should show the same information required on line 1a for each of the additional schools to which you made contributions or paid fees.

Add the amount of qualifying contributions and fees paid to all schools listed on lines 1a, 1b, and any additional schedule. Enter the total on line 1c.

Line 2 -

Single taxpayers and taxpayers filing as head of household, enter \$200 here. Married taxpayers enter \$400 here.

Line 3 -

Enter the smaller of line 1c or line 2. If you are filing a separate return, enter 1/2 of the smaller of line 1c or line 2 here. This is the current year's credit.

Lines 4 through 9 - Available Credit Carryover

Use lines 4 through 9 to figure your total available credit carryover from taxable years 2003 through 2007. Complete lines 4 through 9 if you claimed this credit on a return for one of these years and the credit was more than your tax.

NOTE: *You may carry over only that portion of the credit that you do not apply to tax. You cannot carry over any amount that you paid that was more than the amount allowed as a credit. For example: During 2008, John, a single person, paid \$400 to School A for extra curricular activity fees for John's child. For 2008, John is allowed a credit of \$200. John's 2008 tax is \$100. John may carryover \$100 of the unused \$200 credit to 2009. John cannot claim any credit for the \$200 fee he paid that was more than the allowable credit (\$400 minus allowable credit of \$200).*

In column (b), enter the credit originally computed for the taxable year listed in column (a). In column (c), enter the amount of the credit from that taxable year which you have already used. Subtract the amount in column (c) from the amount in column (b) and enter the difference in column (d). Add the amounts entered on lines 4 through 8 in column (d). Enter the total on line 9, column (d).

Lines 10 through 12 - Total Available Credit for 2008

Use lines 10 through 12 to figure your total available credit for 2008.

Line 10 -

Enter the amount from line 3 here. If you are married filing a separate return, you may take only $\frac{1}{2}$ of the credit that would otherwise be allowed on a joint return.

Line 11 -

Available credit carryover from prior taxable years. Enter the amount from line 9, column (d).

Line 12 -

Total available credit. Add line 10 and line 11. Enter the total here.

Note: *If you are married, and file a separate return, you may take only one-half of the total credit that would otherwise be allowed on a joint return.*

If this is the only credit that you are claiming, and the credit shown on line 12 is equal to or less than your Arizona tax minus the clean elections fund tax reduction, enter the amount from line 12 on **Form 140**, page 1, line 27, **or Form 140PY**, page 1, line 30, **or Form 140NR**, page 1, line 29.

If you are claiming the family income tax credit or other credits from only Forms 310, 321, and/or 323, complete the following worksheet, **or** one of the credit worksheets in the Form 310, 321, or 323 instructions.

Credit Worksheet	
1. Enter your Arizona tax less the clean elections fund tax reduction and family income tax credit if applicable.	
2. Enter the credit from Form 310, line 18.	
3. Enter the credit from Form 321, line 16.	
4. Enter the credit from Form 322, line 12.	
5. Enter the credit from Form 323, line 12.	
6. Add the amounts on lines 2, 3, 4, and 5. Enter the result.	
Compare the amount on line 6 to the amount on line 1.	
If the amount on line 6 is equal to or less than the amount on line 1, do one of the following:	
<ul style="list-style-type: none"> • If filing Form 140, enter the amount from line 6 on Form 140, page 1, line 27. • If filing form 140PY, enter the amount from line 6 on Form 140PY, page 1, line 30. • If filing form 140NR, enter the amount from line 6 on Form 140NR, page 1, line 29. 	
If the amount on line 6 is more than the amount on line 1, you must complete Form 301.	

If you are claiming nonrefundable credits from forms other than Form 310, 321, 322, and/or 323, you must complete Form 301.

If you have to complete Form 301, enter the amount from Form 322, line 12 on Form 301, page 1, line 14.