

2017 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 click on *Legal Research* then click on *Procedures* or *Rulings* and select a tax type from the drop down menu.

Publications

To view or print the department's publications, go to our website and click on *Publications*.

General Instructions

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

Corporate taxpayers and exempt organizations with UBTI use 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) on 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 any of 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),
- The Credit for Renewable Energy Industry, (Form 342), 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 the 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 23, enter the available tax credit amount for each of the credits listed.

Line 1 - Enterprise Zone Credit

Column (a): Do not enter an amount.
Column (b): Enter the amount from Form 304, line 7.
Column (c): Enter the amount from column (b).

Line 2 - Environmental Technology Facility Credit

Column (a): Enter the amount from Form 305, line 38.
Column (b): Enter the amount from Form 305, line 39.
Column (c): Enter the amount from Form 305, line 40.

Line 3 - Military Reuse Zone Credit

Column (a): Enter the sum of lines 37 and 38 from Form 306.
Column (b): Enter the amount from Form 306, line 39.
Column (c): Enter the amount from Form 306, line 40.

Line 4 - 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 41(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 65.
Column (b): Enter the sum of lines 66 and 67 on Form 308.
Column (c): Enter the amount from Form 308, line 68.

Line 5 - Pollution Control Credit

Column (a): Enter the amount from Form 315, line 27.
Column (b): Enter the amount from Form 315, line 28.
Column (c): Enter the amount from Form 315, line 29.

Line 6 - 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 7 - Credit for Solar Hot Water Heater Plumbing Stub Outs and Electric Vehicle Recharge Outlets

Column (a): Enter the amount from Form 319, line 27.
Column (b): Enter the amount from Form 319, line 30.
Column (c): Enter the amount from Form 319, line 31.

Line 8 - Credit for Employment of TANF Recipients

Column (a): Enter the amount from Form 320, line 25.
 Column (b): Enter the amount from Form 320, line 26.
 Column (c): Enter the amount from Form 320, line 27.

Line 9 - Agricultural Pollution Control Equipment Credit

Column (a): Enter the amount from Form 325, line 27.
 Column (b): Enter the amount from Form 325, line 28.
 Column (c): Enter the amount from Form 325, line 29.

Line 10 - 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 11 - Credits for Healthy Forest Enterprises

Column (a): Enter the sum of lines 66 and 67 from Form 332.
 Column (b): Enter the sum of lines 68 and 69 from Form 332.
 Column (c): Enter the amount from Form 332, line 70.

Line 12 - 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 13 - Reserved for Future Use**Line 14 - 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 15 - Credit for Solar Energy Devices - Commercial and Industrial Applications

Column (a): Enter the amount from Form 336, line 34.
 Column (b): Enter the amount from Form 336, line 35.
 Column (c): Enter the amount from Form 336, line 36.

Line 16 - Reserved for Future Use**Line 17 - 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 18 - 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 19 - Solar Liquid Fuel Credit

Column (a): Enter the amount from Form 344, line 34.
 Column (b): Do not enter an amount.
 Column (c): Enter the amount from column (a).

Line 20 - 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 21 - 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 22 - Credit for Qualified Health Insurance Plans

NOTE: Taxable year 2017 is the last year a taxpayer may claim a carryforward of this credit.

Column (a): Do not enter an amount.
 Column (b): Enter the amount from Form 347, line 1.
 Column (c): Enter the amount from column (b).

Line 23 - Credit for Renewable Energy Investment and Production for Self-consumption by Manufacturers and 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 24 - Total Available Nonrefundable Tax Credits

Add lines 1 through 23. 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 25 – 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 26 – Tax From Recapture of Environmental Technology Facility Credit

Enter the amount of tax from recapture of the environmental technology facility credit on Form 305, Part 5, line 21.

Line 27 – Tax From Recapture of Credits for Healthy Forest Enterprises

Enter the total amount of tax from recapture of the credits for healthy forest enterprises from Form 332, Part 11, line 47 and from Form 332, Part 12, line 53; or use the following worksheet to calculate the amount to enter on Form 300, line 27.

Healthy Forest Recapture Tax Worksheet	
1. Enter the tax from recapture of the employment credit from Form 332, Part 11, line 47.	
2. Enter the tax from recapture of the training credit from Form 332, Part 12, line 53.	
3. Add the amounts on line 1 and line 2. Enter the total here and on Form 300, line 27.	

Line 28 – Tax From Recapture of Renewable Energy Industry

Enter the amount of tax from recapture of the credit for renewable energy industry from Form 342, Part 5, line 14.

Line 29 – 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 30 – Tax From Recapture of Credit for Renewable Energy Investment and Production for Self-Consumption by Manufacturers and 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 31 – Recapture Total

Add lines 26 through 30. 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 32 – Subtotal of Tax

Add lines 25 and 31. 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 32. 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 33 - Enterprise Zone Credit

This credit has been repealed and is in the carryforward period. The unused portion of this tax credit may be carried forward for up to five succeeding taxable years, provided the business remains in the former enterprise zone. If the business relocates outside of the former enterprise zone, the carryover of the tax credit is lost. Enter the amount used.

Line 34 - Environmental Technology Facility Credit

The unused portion of this tax credit may be carried forward for 15 succeeding taxable years. If the taxpayer is subject to the tax related to recapture of this tax credit for the facility, the carryover of the tax credit is reduced by the percentages listed in Form 305 instructions.

The portion of the available credit amount from Form 300, Part 1, line 2 that may be used by the taxpayer is limited to 75% of the amount of tax entered on line 32. Enter the amount used.

Line 35 - Military Reuse Zone Credit

The unused portion of this tax credit may be carried forward for five succeeding taxable years if the business remains in the military reuse zone. If the business relocates outside of the military reuse zone, the carryover of the tax credit is lost. Enter the amount used.

Line 36 - Credit for Increased Research Activities

The unused portion of this tax credit may be carried forward for 15 succeeding taxable years. Enter the total amount used.

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 41c. Enter the refundable portion of the credit (the amount from Form 308, Part 7, line 45) on Form 99T, line 12; or Form 120, line 22; or Form 120A, line 14; or Form 120S, line 18; or Form 120X, line 22. 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 37 - Pollution Control Credit

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

Line 38 - 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 39 - Credit for Solar Hot Water Heater Plumbing Stub Outs and Electric Vehicle Recharge Outlets

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

Line 40 - 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 41 - Agricultural Pollution Control Equipment Credit

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

Line 42 - 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 43 - Credits for Healthy Forest Enterprises

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

Line 44 - 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 45 - Reserved for Future Use

Line 46 - 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 47 - 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 48 - Reserved for Future Use

Line 49 - 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 50 - 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 51 - Solar Liquid Fuel Credit

The unused portion of this tax credit may **not** be carried forward. Enter the amount used.

Line 52 - 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 53 - 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 54 - Credit for Qualified Health Insurance Plans

Taxable year 2017 is the last year a taxpayer may claim a carryforward of this credit. Enter the amount used.

Line 55 - Credit for Renewable Energy Investment and Production for Self-consumption for Manufacturers and International Operations Centers

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

Line 56 - Total Nonrefundable Tax Credits Used

Add lines 33 through 55. Enter the total. This amount cannot exceed the amount entered on line 32. 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)