## ARIZONA FORM 302

# **Defense Contracting Credits**

For taxable year beginning \_\_\_\_\_/ \_\_\_\_, and ending \_\_\_\_\_/ \_\_\_\_

## (Attach to your return)

Na	me(s) as shown on Forms 140, 140PY, 140NR, 140X, 120, 120A, 120S, 120X, or 165	Your social security number or federal employer ID number			
1	Has the business been certified as a qualified defense contractor by the Arizona Department of If the answer to this question is no, the business is not eligible for the defense contracting creating the second s				
Part I	Net Increase in Defense Employment Positions				
	Average employment during the current taxable year under United States Department of Defense contracts	2			
	Employment baseline Net increase in defense employment positions - <i>subtract line 3 from line 2</i>				
Part II Net Increase in Qualified Private Commercial Employment Positions					
5 6 7	Net increase in private commercial employment positions Number of new qualified private commercial employment positions. <i>See instructions</i> Net increase in qualified private commercial employment positions. <i>Enter the lesser of line 5 c</i>				

### Part III Credit Calculation for Qualified Employment Positions

		<b>(a)</b> Number of qualified defense positions	<b>(b)</b> Number of qualified commercial positions	(c) Credit per qualified employment position	(d) Allowable credit
8	Qualified net new employment positions			\$2,500	\$
9	Qualified employment positions in the second year of existence			\$2,000	\$
10	Qualified employment positions in the third year of existence			\$1,500	\$
11	Qualified employment positions in the fourth year of existence			\$1,000	\$
12	Qualified employment positions in the fifth year of existence			\$500	\$
13	Total				\$

#### Part IV Credit Calculation for Property Taxes Paid on Class One Property

14	Amount paid as taxes on property in Arizona classified as class one pursuant to ARS § 42-12001				
	Percent based on net new defense employment positions. See instructions.	15	•		
	6 Multiply line 14 by line 15				
17	Percent based on defense contract income divided by total gross income. See instructions	17	•		
18	Allowable credit for property taxes. <i>Multiply line 16 by line 17</i>	18			
10	Anowable credition property taxes. <i>Nutlipy line 10 by line 17</i>	10			

20 Name	e of shareholder		
21 Share	eholder's TIN		
22 Share	eholder's share of the amount on Part III, line 13, of	column (d)	
	eholder's share of the amount on Part IV, line 18. $_{-}$		
Part VI	Partner's Share of Credit		
Complete lin	nes 24 through 27 separately for each partner. Fur	nish each partner with a copy of the completed	Form 302.
24 Name	e of partner		
	ner's TIN		
	ner's share of the amount on Part I, line 16.		
27 Partn	ner's share of the amount on Part IV, line 18.		
Part VII	Available Credit Carryover (See instruct	lions)	
	(a)	(b)	
	Original credit	Amount	Available carry
	amount	previously used	froi
28			
Part VIII	Total Available Credit		

- amount from Part V, line 22. Partners of a partnership enter amount from Part VI, line 26..... 30 Current year's credit for property taxes paid on class one property. Individuals, corporations, or S corporations - enter amount from Part IV, line 18. S corporation shareholders - enter amount from Part V, line 23. Partners of a partnership - enter amount from Part VI, line 27.....
- 31 Available credit carryover enter amount from Part VII, line 28, column (c).....

32 Total available credit - add lines 29, 30, and 31. Enter total here and on Form 300, Part I, line 1 or Form 301, Part I, line 1.....

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olumn (d)	
ish each partner with a copy of the completed Form 302.	

Signature Title

19 The S corporation has made an irrevocable election for the taxable year ending \_\_\_\_\_

Date

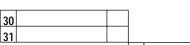
If passing the credit through to the shareholder, complete lines 20 through 23 separately for each shareholder.

year mentioned above).

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(a)	(u)	(C)
Original credit amount	Amount previously used	Available carryover - subtract column (b) from column (a)

30 31



32

(0)

Claim the defense contracting credits as shown on Part III, line 13 column (d) and Part IV, line 18 (for the taxable year mentioned above);

Pass the defense contracting credits as shown on Part III, line 13 column (d) and Part IV, line 18 through to its shareholders (for taxable

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\_\_\_ to:

AZ Form 302 (2001) Page 2 S Corporation Credit Election and Shareholder's Share of Credit

OR

(CHECK ONLY ONE BOX)

Part V