

**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](http://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 Information**

**NOTE:** For overpayment amounts used to pay liability(ies) in taxable years 2016 and prior, see Form 200 for instructions to request protection under the injured spouse provisions.

**Do not use Form 203 to make an innocent spouse relief claim. You must use Form 200 to make a request for innocent spouse relief and separation of liability and equitable relief.**

Arizona is a community property state. In community property states, overpayments are considered joint property and generally applied (offset) to legally owed past-due obligations of either spouse.

For tax years beginning from and after December 31, 2016, under Arizona Revised Statute § 42-2203, Arizona law allows a taxpayer (the injured spouse) to apply *directly* to the department for protection of the injured spouse's share of any Arizona income tax overpayment or refund from setoff for the following:

- past due **state** taxes,

**NOTE:** You cannot use Form 203 to request protection from offset for past-due federal taxes. You must contact the Internal Revenue Service (IRS).

- child support,
- spousal maintenance, or
- other obligations of the taxpayer's spouse that are ordered by a court or owed to an agency of this state.

**Purpose of the Form**

You may apply for protection as an **injured spouse** if your share of an overpayment shown on your joint return is expected to be applied against your spouse's past-due delinquencies or debts.

If the department grants relief, the amount of the injured spouse's protective share is determined by each spouse's

*percentage* of the total amount of income taxes withheld from wages and estimated tax payments. Because Arizona is a community property state, the total amount of estimated taxes is generally divided evenly between spouses unless it is clearly demonstrated by the taxpayers that a portion of the estimated payments were made for income that is not community property.

**When to File Form 203**

You **must** complete and include Form 203 with your Arizona joint income tax return, when filed. *Be sure to check box 4a on your income tax return (Forms 140, 140A, 140EZ, 140NR, 140PY, or 140X.)* Place the completed Form 203 on top of your tax return.

If you do not complete and include Form 203 with your income tax return, your share of the overpayment may be applied to past due liabilities.

In this case, for information about amounts held for:

1. **Past-due state taxes**, call one of the phone numbers listed on this page.
2. **Child support or spousal maintenance**, contact the Arizona Department of Economic Security.
3. **Another Arizona state agency**, contact that agency.
4. **The IRS**, contact the IRS.
5. **A court**, contact that court.
6. **An Arizona city or town**, contact that city or town.

**Can Form 203 be e-filed?**

Yes. If you electronically file your income tax return you must also include Form 203 with the income tax return, when e-filed.

If you mail your tax return, you must also mail Form 203.

**Does the injured spouse have to complete another Form 203 if we amend our 2017 joint income tax return?**

Yes. If you file a 2017 amended income tax return (Form 140X) and increase your 2017 overpayment reported on your original (or last filed amended return), the injured spouse must complete and include a new 2017 Form 203 to request protection from setoff of any additional overpayment to your spouse's outstanding debts.

**NOTE:** If you file an amended return, you cannot request protection from offset of any overpayment shown on your original (or last filed amended) income tax return.

**Line-by-Line Instructions**

*If both, taxpayer and spouse, are requesting injured spouse protection of their share of any overpayment shown on the joint income tax return, each spouse must complete and include a separate Form 203 with the joint tax return, when filed.*

**Taxable Year; Original or Amended Tax Return**

- If you file your income tax return on a fiscal year basis, enter the beginning and ending dates in the space provided.
- Check the box indicating this form is being filed for either an *original* or an *amended* filed tax return.

**Name and Address Information****Lines 1 through 3 –**

Enter the following information exactly as it is shown on your joint income tax return for which you are filing this form. The name and Social Security Number (SSN) shown first on the tax return must also be shown first on Form 203.

- Enter your name and SSN in the spaces provided.
- Enter your spouse's name and SSN in the spaces provided.
- You **must** check the appropriate box indicating which of you is the injured spouse.
- Enter your current home address.  
If you have a foreign address, enter the information in the following order: city, province or state, and country. Follow the country's practice for entering the postal code. Do not abbreviate the country name.
- Enter your daytime phone number.

**Part 1 – Do You Qualify as an Injured Spouse?****Lines 4 through 7 -**

You must answer the questions on lines 4 through 7 to determine if you qualify as an injured spouse and whether you can file this form to request protection of any overpayment of taxes paid.

**Line 7 -**

Because the amount of the protected share is based solely on an overpayment of taxes from income taxes withheld and/or estimated taxes paid, an injured spouse cannot request relief from setoff if you answered "No" to question 7.

To obtain relief from setoff, the injured spouse must contact the applicable agency or political subdivision for a request for recovery of the protected amount of the overpayment.

**Part 2 - Allocation of Arizona Income Tax Withholding and Estimated Tax Payments****Line 8 - Arizona income tax Withheld**

- In column (a), enter the **total** amount of Arizona income tax withheld from **all** Forms, W-2 and 1099, reported on your income tax return.
- In column (b), enter the amount of Arizona income tax withheld on the taxpayer's W-2 and 1099 form(s).
- In column (c), enter the amount of Arizona income tax withheld on the spouse's W-2 and 1099 form(s).

**Line 9 - Arizona Estimated Taxes paid**

Because Arizona is a community property state, estimated payments are generally divided evenly between spouses unless it is clearly demonstrated by the taxpayers that a portion of the estimated payments were for income that is not community property (*separate income*).

In this case, report those payments in the column for the individual who received the separate income.

- In column (a), enter the **total** 2017 Arizona estimated taxes reported on the joint return.
- In column (b), enter one-half of the amount entered in column (a).
- In column (c), enter one-half of the amount entered in column (a).

**Line 10 -**

Add lines 8 and 9 for each column, and enter the totals on line 10.

**Line 11 -**

Divide line 10, column (b) by line 10, column (a) and enter the result on line 11, column (b). You must round your answer to three decimal places.

**For example:**

- If line 10, column (a) = \$ 1,245, total amount reported on joint return; and
- If line 10, column (b) = \$ 860, the amount reported for Taxpayer; then
- The percentage entered on line 11, column (b) = .691 ( $\$860 \div \$1,245 = .69076$ )

**Line 12 -**

Divide line 10, column (c) by line 10, column (a) and enter the result on line 12, column (c). You must round your answer to three decimal places.

- If line 10, column (a) = \$ 1,245, total amount reported on joint return; and
- If line 10, column (c) = \$ 385, the amount reported for spouse; then
- The percentage entered on line 12, column (c) = .309 ( $\$385 \div \$1,245 = .30923$ )

*The percentages entered on lines 11 and 12, when added together, should equal 1.000 (.691 + .309 = 1.000)*

**Sign and Date Form 203 -**

The injured spouse must sign and date Form 203 in the space provided. The department may not consider your request if it is not signed and dated.

**Paid Preparer Must Sign Form 203**

Anyone that you pay to prepare Form 203 for you must sign the Form 203 in the space provided. The preparer must give you a copy of the completed Form 203 for your records. Someone who prepares Form 203 but does not charge you

should not sign Form 203. If you pay someone else to prepare your Form 203, that person must also include an identification number where requested.

A paid preparer may use any of the following:

- his or her PTIN,
- his or her SSN; or
- the EIN for the business.

A paid preparer who fails to include the proper identification numbers may be subject to a penalty.