Notice Form 140PY

Arizona has not fully conformed to the federal changes to the Internal Revenue Code made in 2009.

The following adjustments are in addition to those already included in the 2009 Arizona Form 140PY instructions:

1. Unemployment Compensation.

Any unemployment income that you excluded on the federal return pursuant to I.R.C. § 85(c) must be added back on the Arizona return if the income is from the period when you were an Arizona resident or the income is from an Arizona source. Include the adjustment on line C23, "other additions to income".

2. <u>Discharge of Indebtedness (DOI) Income From Business Indebtedness Discharged by the Reacquisition of a Debt Instrument</u>

If you made the federal election to defer the inclusion of DOI income under I.R.C. § 108(i) you must make an addition on your Arizona income tax return for the amount of DOI income that was from a debt reacquisition that occurred while you were an Arizona resident or that was Arizona source income that you deferred and excluded from the computation of your 2009 federal adjusted gross income. Include the adjustment on line C23, "other additions to income".

3. Original Issue Discount (OID) on Reacquisition of Debt Instrument

Any OID deduction that was deferred on your federal return under I.R.C. § 108(i) may be subtracted if it accrued with respect to DOI income taxed by Arizona. Include the adjustment on line D35, "other subtractions from income".

4. <u>Special Net Operating Loss (NOL) Subtraction Rules for Losses Carried Forward from 2008</u>

An Arizona subtraction will be allowed for the difference between the actual carryforward on the federal return that you included in Arizona gross income and the carryforward that would have been allowed as a deduction on the federal return and included in Arizona gross income if the election had not been made under I.R.C. § 172(b)(1)(H). A deduction is only allowed for amounts attributable to income taxed by Arizona. Include the adjustment on line D35, "other subtractions from income".

If you deducted the sales tax on the purchase of a new motor vehicle or contributions made for Haiti earthquake relief for contributions made after January 11, 2010 and before March 1, 2010 as an itemized deduction on your 2009 federal return, you may not deduct these items as an itemized deduction on your 2009 Arizona return. In this case you must complete Arizona Form 140PY Schedule A(PY) and Schedule A(PYN) as instructed on the notice included with those forms.

For more information regarding any of these adjustments go to: http://www.azdor.gov/LegalResearch/2009Nonconformitv.aspx

ARIZONA FORM 140PY 82F

Part-Year Resident Personal Income Tax Return

OR FISCAL YEAR BEGINNING AND EN

AND ENDING .

FOR CALENDAR YEAR 2009

Check box 82F if filing under extension Last Name Your First Name and Initial Your Social Security No. You must enter your NO TAPE. Spouse's First Name and Initial (if box 4 or 6 checked) Last Name Spouse's Social Security No. SSN(s). Home Phone (with area code) Present Home Address - number and street, rural route Apt. No. Daytime Phone (with area code) **ONE STAPLE ONLY IN UPPER LEFT CORNER.** City, Town or Post Office State Zip Code 3 REVENUE USE ONLY, DO NOT MARK IN THIS AREA. 4 Married filing joint return Stat Head of household▶ Married filing separate return. Enter spouse's name and Social Security No. above. 88 Enter the Age 65 or over (you and/or spouse) number 9 Blind (you and/or spouse) claimed. 10 Dependents. From page 2, line A2 - do not include self or spouse. Do not put a check mark. 11 Qualifying parents and ancestors of your parents from page 2, line A5. 12-13 Residency Status (check one): 12 Part-Year Resident Other than Active Military 13 Part-Year Resident Active Military Attach W-2 as last page of the return This box may be blank or may contain a printed barcode of data from your return. 14 Federal AGI 14 00 **15** Arizona income (from page 2, line B19)...... 15 00 **16** Additions to income (from page 2, line C24). 16 00 17 Add lines 15 and 16..... 17 00 18 Subtractions: No. from line D34a ▶ 181..... 00 **19** Arizona AGI: Line 17 *minus* line 18...... 00 20 20I ITEMIZED **STANDARD** 20 20**S** 00 21 21 Personal exemptions..... 00 **22** AZ taxable inc.: Line 19 minus lines 20 & 21. 22 00 23 Compute the tax: Use Tax Table X or Y...... 00 24 24 Tax from recapture of credits 00 25 Subtotal of tax: Add lines 23 and 24...... 00 27 26 - 27 261 YOURSELF 262 SPOUSE required. 00 28 Reduced tax: Subtract line 27 from line 25 ... 00 29 Family income tax credit from worksheet on page 17 of the instructions...... 29 30 Credits from Arizona Form 301, line 59, or Forms 310, 321, 322 and 323 if Form 301 is not required...... 00 31 31 Credit type: Enter form number of each credit claimed..... 00 32 Clean Elections Fund Tax Credit: From worksheet on page 18 of the instructions..... Schedu 00 33 Balance of tax: Subtract lines 29, 30 and 32 from line 28. If the sum of lines 29, 30 and 32 is more than line 28, enter zero..... 00 34 Arizona income tax withheld during 2009..... 00 35 Arizona estimated tax payments for 2009 00 36 2009 Arizona extension payment (Form 204)..... 36 00 37 Increased Excise Tax Credit: From worksheet on page 19 of the instructions..... 00 38 Total payments/refundable credits: Add lines 34 through 37...... and 00 39 TAX DUE: If line 33 is larger than line 38, subtract line 38 from line 33, and enter amount of tax due. Skip lines 40, 41 and 42 00 40 OVERPAYMENT: If line 38 is larger than line 33, subtract line 33 from line 38, and enter amount of overpayment 40 ⋖ Schedule 00 41 Amount of line 40 to be applied to 2010 estimated tax..... 00 42 Balance of overpayment: Subtract line 41 from line 40..... 43 - 52 Voluntary Gifts to: Aid to Education OO Arizona Wildlife 00 43 (entire refund only). 00 00 Child Abuse Prevention 46 Citizens Clean Elections...... vour federal 00 00 Domestic Violence Shelter..... 47 National Guard Relief Fund . 48

00 Neighbors Helping Neighbors 49 00 00 Veterans' Donations Fund...... 51 Political Gift..... 53 Check only one if making a political gift: 531 Democratic 532 Green 533 Libertarian 534 Republican 00 54 Estimated payment penalty and MSA withdrawal penalty 55 Check applicable boxes: 551 Annualized/Other 552 Farmer or Fisherman 553 Form 221 attached 554 MSA Penalty 00 56 Total of lines 43 through 52 and 54..... 56 00 REFUND: Subtract line 56 from line 42. If less than zero, enter amount owed on line 58 Checking or 98 Savings 00 58 AMOUNT OWED: Add lines 39 and 56. Make check payable to Arizona Department of Revenue; include SSN on payment..... Payment enclosed. Check the box, and enclose but do not attach payment. PLEASE DO NOT SEND CASH.

Your	ame (as snown on page 1)		Your Social	Security No.						
\perp	List children and other dependents. Do no	t list vourself or spouse. If mo	re space is peeded							
_ ^		t list yoursell of spouse. If file	re space is needed,							
	attach a separate sheet.	NO. OF MONTHS LIVED								
	FIRST AND LAST NAME	IN YOUR HOME IN 2009	_							
					_					
(0)					_					
ents					+					
ğ A	'	A2								
a A	B a Enter the names of the dependents liste	ı								
	b Enter dependents listed above who were not claimed on your federal return due to education credits:									
Α	b Enter dependents listed above who well	1								
AR		l								
<u>-</u> A	List qualifying parents and ancestors of you			ite sheet.						
	You cannot list the same person here and	\neg								
PART D: Subtractions from Income PART B: Arizona Percent of Total Income PART A: Dependents PART B: B	qualifying parent or ancestor of your paren	qualifying parent or ancestor of your parents, see page 5 of the instructions. NO. OF MONTHS LIVED								
	FIRST AND LAST NAME	SOCIAL SECURITY NO.	RELATIONSHIP	IN YOUR HOME IN 2009	_					
		 								
	Enter total number of persons listed in A4 h	nere and on the front of this for	m, box 11	TOTAL	A5					
В	Dates of Arizona residency: From	to		2009 FEDERAL	2009 AR					
Ф	List other state(s) of residency:			Amount from Federal Return	-					
ု ရ B	Wages, salaries, tips, etc				00	00				
<u>≧</u> B	Interest				00	00				
B sta	Dividends				00	00				
- P	Arizona income tax refunds				00	00				
⊭ B1	Alimony received			B11 (00	00				
ု <u>၉</u> B1	2 Business income (or loss) from federal Sch	nedule C		B12 (00	00				
B1	Gains (or losses) from federal Schedule D.			B13	00	00				
မြို့ B1	Rents, royalties, partnerships, estates, trus	ts, small business corporation	s from federal Schedule I	E. B14	00	00				
ĘB1	Other income reported on your federal retu	ırn			00	00				
B1	Total income: Add lines B7 through B15			B16	00	00				
<u></u> Б1	Federal adjustments. Attach your own sched	ule		B17 (00	00				
B1	Federal adjusted gross income: Subtract lin	e B17 from line B16 in the FEDER	AL column	B18	00					
B1	Arizona income: Subtract line B17 from line B	16 in the ARIZONA column. Enter	here and on the front of t	his form, line 15	B19	00				
B2	Arizona percentage: Divide line B19 by line B	118, and enter the result (not over	100%)		B20	<u>%</u>				
္ ္က <u>တ</u> C2	Early withdrawal of Arizona Retirement Sys	stem contributions			C21	00				
≂≝l c∠	i Total depreciation included in Anzona gros	S IIICOITIE			C22	00				
★ 등 C2	Other additions to income: See instructions	and attach your own schedule			C23	00				
	Total: Add lines C21 through C23. Enter here a				C24	00				
_ω D2	Exemption: Age 65 or over. Multiply the nur	nber in box 8, page 1, by \$2,100		D25	<u>00</u>					
등 D2		9, page 1, by \$1,500		D26	<u>00</u>					
<u>≧</u> D2	Exemption: Dependents. Multiply the number	er in box 10, page 1, by \$2,300		D27	<u>00</u>					
등 D2	B Exemption: Qualifying parents and ancest	ors. Multiply the number in box 1	I, page 1, by \$10,000	D28	<u>00</u>					
ာ့ D2	Total exemptions: Add lines D25 through D28			D29	00					
.jg D 3	Multiply line D29 by the percentage on line	B20, and enter the result			D30	00				
ရွိ D 3	Interest on U.S. obligations such as U.S. s	avings bonds and treasury bill	s included in the ARIZO	DNA column	D31	00				
<u>2</u> D3	2 Arizona state lottery winnings included on l	ine B15 in the ARIZONA colur	nn (up to \$5,000 only)		D32	00				
D3	U.S. Social Security or Railroad Retiremen	t Act benefits included in your	ARIZONA income		D33	00				
	Construction of an energy efficient residen	ce: See page 11 of instructions.	Enter number then amoun	t D34a	D34	00				
\rightarrow \frac{\times}{2} \dots	Other subtractions from income: See instru	ctions and attach your own schedu	ıle		D35	00				
		and on the front of this form, line 18	3		D36	00				
E3	Last name(s) used in prior years - if differen	nt from name(s) used in current yea	ar:							
111	I have read this return and any attachme									
	true, correct and complete. Declaration	of preparer (other than taxpay	er) is based on all infor	mation of which prepare	r has any know	ledge.				
뿔										
PART D: Subtractions from Income Additions PART D:	YOUR SIGNATURE	DA	TE OCCI	JPATION						
96										
	SPOUSE'S SIGNATURE	DA	TE SPOU	JSE'S OCCUPATION						
AS	DAID DDEDARES OF STATE OF STAT		FIDA NO ALANCE (SEE	DADEDIO /= 0= = = = = = = = = = = = = = = = = =	(ED)					
Ш	PAID PREPARER'S SIGNATURE	DATE	FIKIVI'S NAME (PRE	PARER'S IF SELF-EMPLOY	: ⊏D)					
<u>a</u>	PAID PREPARER'S TIN PAID PREP	ARER'S ADDRESS		PAID PRE	PARER'S PHONE	NO.				

If you are not sending a payment, mail to Arizona Department of Revenue, PO Box 52016, Phoenix, AZ 85072-2016 (PO Box 29204, Phoenix, AZ 85038-9204 if your return has a barcode).

If you are not sending a payment, mail to Arizona Department of Revenue, PO Box 52138, Phoenix, AZ 85072-2138 (PO Box 29205, Phoenix, AZ 85038-9205 if your return has a barcode).

2009 Arizona Tax Tables X and Y For Form 140PY

Table X - Use Table X if your filing status is Single or Married Filing Separate										
	(a)	(b)		(c)		(d)		(e)		(f)
from For	le income rm 140PY, , line 22 is:	Enter the amount from Form 140PY, page 1, line 22		Multiply the amount entered in		Enter the result		Subtract		Your tax. Round the result and enter this amount on
Over	But Not over			column (b) by						Form 140PY, page 1, line 23
\$0	\$10,000		X	.0259	=		_	0.00	=	
\$10,000	\$25,000		X	.0288	=		_	\$ 29.00	=	
\$25,000	\$50,000		X	.0336	=		_	\$ 149.00	=	
\$50,000	\$150,000		X	.0424	=		_	\$ 589.00	=	
\$150,000	and over		X	.0454	=		-	\$ 1,039.00	=	

Table Y - Use Table Y if your filing status is Married Filing Joint or Head of Household										
	(a)	(b)		(c)		(d)		(e)		(f)
If taxable income from Form 140PY, page 1, line 22 is: Over But Not over		Enter the amount from Form 140PY, page 1, line 22	Multiply the amount entered in column (b) by		Enter the result	Subtract			Your tax. Round the result and enter this amount on Form 140PY, page 1, line 23	
\$0	\$20,000		X	.0259	=		_	0.00	=	
\$20,000	\$50,000		X	.0288	=		_	\$ 58.00	=	
\$50,000	\$100,000		X	.0336	=		-	\$ 298.00	=	
\$100,000	\$300,000		X	.0424	=		-	\$ 1,178.00	=	
\$300,000	and over		X	.0454	=		_	\$ 2,078.00	=	