

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 select the *About* tab on the home page and select *Legal Research* from the drop-down menu and then click on *Procedures* or *Rulings* from the drop-down menu. Using the Category box, select the tax type and then scroll down to find the *Document ID* or use the *Search Keyword* function to locate the document.

Publications

To view or print the department's publications, go to our website select the *About* tab on the home page and select *Legal Research* from the drop-down menu and then click on *Publications* from the drop-down menu.

General Instructions

NOTE: You *must* also complete *Arizona Form 301, Nonrefundable Individual Tax Credits and Recapture, and include Forms 301 and 322 with your tax return to claim this credit.*

Arizona law provides a credit for cash contributions made and certain fees paid to public schools in Arizona. **“Public School” means a school that is part of a school district, a career technical education district, or a charter school.**

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.

The credit is equal to the amount of cash contributed or the amount of fees paid up to the maximum amount allowed. The maximum amount of credit that a taxpayer can establish for the current taxable year for contributions or fees paid is \$200 for single taxpayers or heads of household. For married taxpayers filing a joint return, the maximum amount of credit that can be established for the current taxable year is \$400. In most cases, for married taxpayers who file separate returns, each spouse may claim only **one-half** (½) of the credit that would have been allowed on a joint return.

NOTE: *The maximum amount of credit established for the current taxable year does **not** include any unused valid carryover amount(s) from prior taxable years. Because this is a nonrefundable credit, the total amount of available credit [current year plus any valid carryover amount(s)] that a taxpayer may **use** for the taxable year cannot be greater than the tax liability shown.*

A cash contribution for which a credit is claimed and that is made on or before the fifteenth day of the fourth month following the close of the taxable year may be applied to either the current or preceding taxable year and is considered to have been made on the last day of that taxable year.

For calendar year filers, credit eligible cash contributions made or fees paid to a public school from January 1, 2025 to April 15, 2025 may be used as a tax credit on either the 2024 or the 2025 Arizona income tax 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 five consecutive taxable years' income tax liability.

If you claim this credit in 2024 for cash contributions made from January 1, 2025 to April 15, 2025 you must make an adjustment on your 2025 Arizona Form 140 Schedule A, 140PY Schedule A(PY) or A(PYN), or 140NR Schedule A(NR).

NOTE: *You cannot claim both a tax credit and an itemized deduction for contributions made to a public school for which you are claiming a credit.*

You cannot claim an increased standard deduction for the amount of contributions made to a Public School for which you are claiming a credit.

You may be able to make credit eligible contributions to a public school through payroll withholding. Check with your employer to see if your employer has agreed to withhold contributions that qualify for this credit from your pay.

To qualify for the credit, you must contribute or pay fees to a public school located in this state for the following public school purposes:

- standardized testing for college credit or readiness offered by a widely recognized and accepted educational testing organization,
- the career and technical education industry certification assessment,
- preparation courses and materials for standardized testing,
- cardiopulmonary resuscitation training,
- extracurricular activities, or
- character education programs.
- **from and after June 30, 2019, through June 30, 2024, contributions or fees paid for the following items qualify:**
 - (a) acquiring capital items, as defined in the uniform system of financial records, including those items listed in section 15-903, subsection c, paragraphs 2 through 8;
 - (b) community school meal programs;
*An amount paid by an individual to receive a meal or a meal card **does not qualify** as a fee or donation for community school meal programs.*
 - (c) student consumable health care supplies; and
 - (d) playground equipment and shade structures for playground equipment.

"Standardized testing for college credit or readiness" includes the SAT, PSAT, ACT, advanced placement and international baccalaureate diploma tests and other similar tests.

"Widely recognized and accepted educational testing organization" means the college board, the ACT, the international baccalaureate and other organizations that are widely recognized and accepted by colleges and universities in the United States and that offer college credit and readiness examinations.

"Career and technical education industry certification assessment" means an assessment for career and technical preparation programs for pupils.

"Community school meal program" means a school meal program that takes place before or after the regular school day on school property.

"Student consumable health care supplies" includes tissues, hand wipes, bandages and other health care consumables that are generally used by children.

NOTE: *Your contribution for the support of standardized testing fees, career and technical education industry certification assessments, preparation courses, or materials for standardized testing, **must** be made directly to the public school located in Arizona. Contributions made to any other organization will not qualify for this credit.*

A character education program is a program defined in Arizona Revised Statutes (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.

Extracurricular activities are school-sponsored activities that *may* 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 extracurricular activities for each public school located in that district. Extracurricular activities may include the following:

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

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

You must make cash 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; or
- a public school located outside of Arizona.

Before claiming this credit, make sure the public-school issues you a receipt for the contributions or qualifying fees you paid. The receipt should show **all** of the following:

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

Please keep this receipt with your tax records. For more information on school tax credits, see the department's publication, Pub 707, *School Tax Credits*.

What is an Arizona Public School CTDS Code?

The Arizona Department of Education uses a coding system (CTDS) to identify Arizona public and charter schools. CTDS is a nine-digit (9) number and stands for *County Code, Type Code, and District Code & Site Number*.

For the purpose of claiming Arizona's tax credit for contributions made or certain fees paid to a qualifying public school, you must provide this code on the tax credit form, in column (a), for each qualifying school you or your spouse made cash contributions or paid certain fees.

For example, a public school with a CTDS code of 01-23-45-678 would be entered (c) as 012345678 (do **not** include spaces or dashes).

You may obtain the CTDS code by visiting Arizona Department of Education's public school search webpage at www.ade.az.gov/edd or you may find the list on our website at www.azdor.gov/tax-credits/public-school-tax-credit under *Resources for Taxpayers*.

Line-by-Line Instructions

Enter your name and Social Security Number (SSN) as shown on Arizona Forms 140, 140PY, 140NR, or 140X.

All returns, statements, and other documents filed with the department require a taxpayer identification number (TIN).

The TIN for an individual is the taxpayer's SSN or an Internal Revenue Service (IRS) individual taxpayer identification number (ITIN). Taxpayers that fail to include their identification number may be subject to a penalty.

NOTE: *Complete Parts 1 and 3 if you are claiming a new credit for the current tax year.*

*If you are **only** claiming a carryover amount available from a previous credit, complete Parts 2 and 3.*

Part 1 - Current Year's Credit

A. Cash contributions made or fees paid January 1, 2024 through December 31, 2024

Lines 1, 2 and 3

NOTE: *If you are married and filing separate returns, be sure to include all cash contributions or fees paid by you and your spouse.*

Enter the following for each Arizona public school you or your spouse made cash contributions or paid fees from January 1, 2024 through December 31, 2024:

- Column (a): the date you made the contribution or paid fees (MM/DD/2024);
- Column (b): the public school CTDS code;
- Column(c): the name of the public school or charter school for which you made contributions for paid fees;
- Column (d): the school district name or charter holder; and
- Column (e): the amount of cash contributions or fees paid to the public school during 2024.

NOTE: *Do not include those contributions made or fees paid from January 1, 2024 through April 18, 2024 for which you or your spouse claimed a credit on the 2022 tax return.*

If you made cash contributions or paid fees to more than three public schools, complete the Continuation Sheet on page 3 of the form and include it with the credit form.

What if I Made More than Ten (10) Cash Contributions or Paid Fees to the Same Public School?

If you made more than ten (10) re-occurring monthly donations (or used paycheck deductions) for contributions or paid fees to **the same qualified public school**, the department will permit the netting/summarizing of the contributions made or fees paid to the same public school and provision of one common date (for example 12/31/23). Enter the total amount of contributions made or fees paid in column (e).

Line 4

Enter the amount from line 4h of the Continuation Sheet; otherwise enter "0".

Line 5

Add lines 1 through 4, column (e). Enter the total.

B. Cash contributions made or fees paid January 1, 2025 through April 15, 2025 for which you or your spouse are claiming a credit on the 2024 tax return

Lines 6, 7, and 8

NOTE: *If you are married and filing separate returns, be sure to include all cash contributions or fees paid by you and your spouse.*

Enter the following for each Arizona public school for which you or your spouse made cash contributions or paid fees from January 1, 2025 through April 15, 2025 for which you or your spouse are claiming a credit on your 2024 tax return:

- Column (a): the date you made the contribution or paid fees (MM/DD/2024);
- Column (b): the public school CTDS code;
- Column(c): the name of the public school or charter school for which you made contributions for paid fees;
- Column (d): the school district name or charter holder.
- Column (e): the amount of cash contributions made or fees paid to the public school from January 1, 2025 through April 15, 2025.

If you made cash contributions or paid fees to more than three public schools, complete the Continuation Sheet on page 3 of the form and include it with the credit form.

What if I Made More than Ten (10) Cash Contributions or Paid Fees to the Same Public School?

If you made more than ten (10) re-occurring monthly donations (or used paycheck deductions) for contributions or paid fees to **the same qualified public school**, the department will permit the netting/summarizing of the contributions made or fees paid to the same public school and provision of one common date (for example 04/15/2024). Enter the total amount of contributions made or fees paid in column (e).

Line 9

Enter the amount from line 9h of the Continuation Sheet; otherwise enter "0".

Line 10

Add lines 6 through 9, column (e). Enter the total.

Line 11

Add lines 5 and 10. Enter the total.

Line 12

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

Line 13 - Current Year's Credit

Enter the smaller of line 11 or line 12. If you are married filing a separate return, but you could have filed a joint return, you may take only one-half (1/2) of the total credit that you and your spouse would have been allowed to take on a joint return, up to a maximum of \$200. In this case, enter 1/2 of the smaller of line 11 or line 12.

Part 2 - Available Credit Carryover

Lines 14 through 19

Complete lines 14 through 19 to figure your total available credit carryover from taxable years 2019 through 2023, if you claimed this credit on a return for one of these years and the allowable 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 contributed or paid that was more than the amount allowed as a credit.*

For example, during 2024, John, a single person, paid \$400 to School A for extracurricular activity fees for John's child. For 2024, John is allowed a credit of \$200. John's 2024 tax is \$100. John applied \$100 credit to his tax liability and may carryover \$100 of the unused \$200 credit to 2024. 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 that taxable year listed in column (a).
- In column (c), enter the amount of the credit from that taxable year which you have already used.
- In column (d), subtract the amount in column (c) from column (b) and enter the difference.
- Add the amounts entered on lines 14 through 18 in column (d). Enter the total on line 19, column (d).

Part 3 - Total Available Credit

Lines 20 through 22

Use lines 20 through 22 to figure your total available credit for 2024.

Line 20

Enter the amount from Part 1, line 13. Also, enter this amount on Form 301, Part 1, line 7, column (a).

Line 21

Enter the amount from Part 2, line 19, column (d). Also, enter this amount on Form 301, Part 1, line 7, column (b).

Line 22 - Total Available Credit

Add lines 20 and 21. Enter the total. Also, enter this amount on Form 301, Part 1, line 7 column (c).