



## SAVE UP TO \$400 ON YOUR ARIZONA TAXES AND HELP SUPPORT THE ACT KIDS HEALTH FAIR!

### **What is an Arizona tax credit?**

A tax credit is a dollar-for-dollar credit against the taxes you owe the state of Arizona. It is a way for you to direct your tax dollars to worthwhile causes of your choice.

### **How many tax credits of this type exist?**

The state recognizes three tax credits of this type. One is the Arizona Charitable Tax Credit for the Working Poor. The other two credits relate to public and private schools.

### **Am I allowed to take more than one tax credit?**

Yes. If you qualify, it is possible to take advantage of all three credits.

### **Which tax credit do I use to benefit the ACT Kids Health Fair?**

In 1998, Arizona authorized a \$200 tax credit for the working poor, available to eligible tax-payers who help qualifying charitable organizations that provide assistance to meet the basic needs of the poor. The Arizona Coalition for Tomorrow Fund, Inc. is a qualified 501(c)(3) not-for-profit organization and gifts are tax deductible as provided by law. Please see detailed information on this tax credit opportunity located on the Arizona Department of Revenue website at:

<https://www.azdor.gov/refunds%20and%20credits/charitablecredits.htm>

### **How do you know if you are eligible for a tax credit?**

- Have you itemized deductions on your federal 1040 tax return at least once since 1996?  
Will you itemize deductions for the current tax year on your federal and state tax returns and owe the State of Arizona taxes? If the answer to either of these questions is “no,” you are not eligible for the tax credit. You may, however, make a tax deductible donation. If the answer is “yes,” continue.
- Establish your baseline year: If you itemized deductions on your 1996 federal return, then 1996 is your baseline year and the credit is available to the extent that your current tax year qualifying charitable contributions exceed the amount you donated in the baseline year. If you did not itemize in 1996, then your baseline year is the first year after 1996 that you did itemize.
- Figure your credit amount. An Arizona Tax Credit is allowed on amounts above the base-line year amount. Married couples filing a joint return can claim a state credit of \$400 for the current tax year and subsequent years. Single individuals and heads of household can claim a state credit of \$200 per year for the current tax year and subsequent years.
- Make your contribution to “**Arizona Coalition for Tomorrow Charitable Fund, Inc.**” Your check must be postmarked by December 31<sup>st</sup> of THIS year. On the memo line of your check, please write “Arizona Tax Credit.”

**How do I claim the tax credit?**

- Federal Tax Form 1040: Itemize your deduction on Schedule A, including this contribution.
- Arizona Tax Form 140: Your “add back” is done using Arizona Schedule A. Arizona will not let you take it as both a deduction and a credit.
- Finally, on Arizona Form 140, Page 1, you will take the credit.

**For more information**

Contact your tax preparer or accountant.

Visit [www.azdor.gov/refunds%20and%20credits/charitablecredits.htm](http://www.azdor.gov/refunds%20and%20credits/charitablecredits.htm)

Note: Arizona Form 321 will be available online mid-January

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**Clip, complete, return!**

Please clip the following information, fill in the blanks, write your check, and mail all to:

Arizona Coalition for Tomorrow Charitable Fund, Inc.

PO Box 27135

Tempe, AZ 85285

Yes, I want to help make a difference in the lives of our Arizona children!

Enclosed is my qualified tax credit gift of \$\_\_\_\_\_ and/or

Enclosed is a year-end donation of \$\_\_\_\_\_

***Please print or type***

<b>Name</b>	
<b>Street Address</b>	
<b>City, State, Zip</b>	
<b>Day Phone</b>	
<b>Email Address*</b>	

**\*NOTICE: We will not share your email address with any third party.**