

# 2000 Credit for Contributions to School Tuition Organizations

# Arizona Form 323

## Phone Numbers

If you have questions, please call one of the following help numbers:

Phoenix	(602) 255-3381
Nationwide, toll-free	(800) 352-4090
Form orders	(602) 542-4260
Forms by Fax	(602) 542-3756
Recorded Tax Information	
Phoenix	(602) 542-1991
Other Arizona areas, toll-free	(800) 845-8192
Hearing impaired TDD user	
Phoenix	(602) 542-4021
Other Arizona areas, toll-free	(800) 397-0256

You may also visit our web site at:

[www.revenue.state.az.us](http://www.revenue.state.az.us)

## General Instructions

For taxable years beginning on or after January 1, 1998, Arizona law provides a credit for contributions made to a school tuition organization that provides scholarships or grants to qualified schools. The credit is equal to the amount contributed, up to a maximum of \$500.

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.

A school tuition organization is an organization that meets all of the following.

- The organization is tax exempt under Section 501(c)(3) of the Internal Revenue Code.
- The organization allocates at least 90 percent of its annual revenue to scholarships or grants.
- The organization makes its scholarships or grants available to students of more than one qualified school.

A qualified school is a nongovernmental primary or secondary school located in Arizona. The school cannot discriminate on the basis of race, color, handicap, familial status, or national origin. The primary school must begin with kindergarten and the secondary school must end with grade 12.

To determine if your contributions qualify for this credit, you should ask the organization if it meets all of the above requirements.

Your donation to the school tuition organization will not qualify for the credit if you designate the donation for the direct benefit of your dependent.

You cannot claim both a tax credit and an itemized deduction for the first \$500 of a contribution to a school tuition organization.

Before you claim this credit, make sure that the school tuition organization gave you a receipt for the contributions that you made. The receipt should show all of the following:

- the name and address of the school tuition organization
- the name of the taxpayer
- the taxpayer's social security number

- the amount paid
- the date paid

You may want to attach a copy of your receipt(s) to your return.

For more information on school tax credits, see the Arizona Department of Revenue brochure, Pub 707, *School Tax Credits*. To get a copy of this brochure, call one of the help numbers listed on this page of these instructions.

## Line-by-Line Instructions

### Lines 1a, 1b, and 1c -

Enter the name and address of the school tuition organization to which you made contributions. Also enter the amount contributed to the school tuition organization.

If you made contributions to 2 school tuition organizations, also complete line 1b.

If you made contributions to 3 or more school tuition organizations, complete an additional schedule. The schedule should show the same information required on line 1a for each of the additional school tuition organizations to which you made contributions.

Add the amount of contributions made to all school tuition organizations listed on lines 1a, 1b, and any additional schedule. Enter the total on line 1c.

### Line 2 -

Enter the lesser of line 1c or \$500. This is your current year's credit.

### Lines 3 through 8 - Carryover from Prior Taxable Years

Use lines 3 through 8 to figure your total available credit carryover. Complete lines 3 through 8 if you claimed the credit on a prior year return and the credit was more than your tax.

Enter the taxable year(s) from which you are carrying over the credit in column (a) on lines 3 through 7. In column (b), enter the credit originally computed for that taxable year. In column (c), enter the amount of the credit from that taxable year which you have already used. Subtract the amount in column (c) from the amount in column (b) and enter the difference in column (d). Add the amounts entered on lines 3 through 7 in column (d). Enter the total on line 8, column (d).

### Lines 9 through 11 - Total Available Credit for 2000

Use lines 9 through 11 to figure your total available credit for 2000.

### Line 11 -

Total available credit. Add line 9 and line 10. Enter the total here.

If this is the only credit that you are claiming, and the credit shown on line 11 is equal to or less than your Arizona tax minus the clean elections fund tax reduction, enter the amount from line 11 on **Form 140**, page 1, line 29 or **Form 140PY**, page 1, line 31, or **Form 140NR**, line 30.

If you are claiming the family income tax credit or other credits from only Forms 310, 321, and/or 322, complete the following worksheet. **OR** one of the credit worksheets in the Form 310, 321, or 322 instructions.

If you are claiming nonrefundable credits from forms other than Form 310, 321, 322, and /or 323, you must complete Form 301.

If you have to complete Form 301, enter the amount from Form 322, line 11 on Form 301, page 1, line 17.

**Note:** *If you are married, and you and your spouse file a separate return, you may each take only one-half of the total credit that would otherwise be allowed on a joint return.*

<b>Credit Worksheet</b>	
1. Enter your Arizona tax less the clean elections fund tax reduction and family income tax credit if applicable.	
2. Enter the credit from Form 310, line 18.	
3. Enter the credit from Form 321, line 16.	
4. Enter the credit from Form 322, line 11.	
5. Enter the credit from Form 323, line 11.	
6. Add the amounts on lines 2, 3, 4, and 5. Enter the result.	
Compare the amount on line 6 to the amount on line 1.	
If the amount on line 6 is equal to or less than the amount on line 1, do one of the following:	
<ul style="list-style-type: none"> <li>• <b>If filing Form 140</b>, enter the amount from line 6 on Form 140, page 1, line 29.</li> <li>• <b>If filing form 140PY</b>, enter the amount from line 6 on Form 140PY, page 1, line 31.</li> <li>• <b>If filing form 140NR</b>, enter the amount from line 6 on Form 140NR, page 1, line 30.</li> </ul>	
If the amount on line 6 is more than the amount on line 1, you must complete Form 301.	