
Phone Numbers

For more information or help, call one of the numbers listed below.

Phoenix	(602) 255-3381
From area codes 520 and 928, toll-free	(800) 352-4090
Hearing impaired TDD user	
Phoenix	(602) 542-4021
From area codes 520 and 928, toll-free	(800) 397-0256

For tax rulings, tax procedures, tax forms and instructions, and other tax information, access our home page at www.azdor.gov.

General Instructions

Arizona law provides a credit for employers who have an employee that is a member of the Arizona National Guard if the employee is placed on active duty.

The credit is \$1,000 for each employee who is placed on active duty by the Arizona National Guard.

To qualify for the credit, **all** of the following must apply:

1. The employee must be a member of the Arizona National Guard.
2. The employee must be in a full time equivalent position when the employee is placed on active duty.
3. Each member of the Arizona National Guard who is employed must have served during the taxable year on active duty for training that exceeds the required annual training period, including any activation for federal or state contingencies or emergencies.

You may claim this credit only once in any taxable year with respect to each employee who is placed on active duty by the Arizona National Guard. However, you may claim the credit again for that employee in a subsequent year if that employee remains on active duty or is placed again on active duty in a subsequent taxable year.

If the allowable credit exceeds your income tax liability, you may carry over any unused amount for the next 5 consecutive taxable years.

This credit is available to individuals, corporations, and S corporations. A partnership may pass the credit through to its partners. An S corporation may pass the credit through to its shareholders.

Part I - Business Information

Lines 1 through 3 -

On lines 1, 2, and 3, enter the name, address, and employer identification number of the business that employs qualifying employees.

Part II - Credit Computation

Before completing lines 4 through 6, complete Arizona Form 333-1. This is a listing of all employees for which you are claiming the credit.

Form 333-1 Qualifying Employees

An eligible employee is an employee in a full time equivalent position who is placed on active duty by the Arizona National Guard. To be eligible for the credit, each Arizona National Guard member must have served, during the taxable year, on active duty for training that exceeds the required annual training period, including any activation for federal or state contingencies or emergencies.

Form 333 -

Lines 4 through 6 -

The credit is \$1,000 for each qualifying employee that is placed on active duty by the Arizona National Guard.

Complete lines 4 through 6 as instructed on the form.

Part III - S Corporation Credit Election and Shareholder's Share of Credit

Line 7 -

The S corporation must complete this portion of Form 333 in order for the S corporation or its shareholders to claim this credit. The S corporation must make an irrevocable election either to claim the credit or to pass the credit through to its shareholders. The election statement must be signed by one of the officers of the S corporation who is also a signatory to the Arizona Form 120S.

Lines 8 through 10 -

If the S corporation elects to pass the credit through to its shareholders, it must also complete lines 8 through 10.

S corporations must complete Form 333, Parts I through III. The S corporation must complete Part III, lines 8 through 10, separately for each shareholder. Each shareholder may claim only a pro rata share of the credit based on the shareholder's ownership interest in the S corporation. The S corporation must furnish each shareholder with a copy of pages 1 and 2 of Form 333.

Each shareholder must complete Parts V and VI.

Part IV - Partner's Share of Credit

Lines 11 through 13 -

Partnerships must complete Form 333, Parts I and II. Then complete Part IV, lines 11 through 13, separately for each partner. Each partner may claim only a pro rata share of the credit based on the partner's ownership interest in the partnership. The partnership must furnish each partner with a copy of pages 1 and 2 of Form 333.

Each partner must complete Parts V and VI.

Part V - Available Credit Carryover

Lines 14 through 19 -

Use Part V to figure your total available credit carryover from taxable years 2007 through 2011.

Complete lines 14 through 19 to figure your available credit carryover from taxable years 2007 through 2011 if you claimed the credit on your 2007, 2008, 2009, 2010 and/or 2011 return, and the credit was more than your tax.

- In column (b), enter the credit originally computed for the taxable year listed in column (a).
- 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 14 through 18 in column (d).

Enter the total on line 19, column (d).

Part VI - Total Available Credit

Line 20 -

Individuals, corporations, or S corporations claiming the credit, enter the amount from Part II, line 6.

S corporation shareholders, enter the amount from Part III, line 10.

Partners of a partnership, enter the amount from Part IV, line 13.

Line 21 -

Enter the amount from Part V, line 19, column (d).

Line 22 -

Add lines 20 and 21. Enter the total.

Corporations and S corporations claiming the credit; also enter the total available credit on Arizona Form 300, Part I, line 12.

Individuals; also enter the total available credit on Arizona Form 301, Part I, line 18.