

Include with your return.

For the calendar year 2021 or fiscal year beginning   M     M     D     D     2     0     2     1   and ending   M     M     D     D     Y     Y     Y     Y  .

**NOTE: This credit is no longer available to corporate taxpayers.**

**All businesses must be certified by the Arizona Commerce Authority and the Department of Revenue before applying for this credit.**

Name as shown on Form 140, 140PY, 140NR, 140X, 140-SBI, 140PY-SBI, 140NR-SBI, 140X-SBI or 165	Social Security or Employer Identification Number
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**Part 1 Healthy Forest Enterprise Information**

- 1 Name of Healthy Forest Enterprise: \_\_\_\_\_
  
- 2 Employer identification number: \_\_\_\_\_
  
- 3 Reserved
- 4 Check one box to indicate the year this form represents for claiming the employment credit under A.R.S. § 43-1076:  
 First Year     Second Year     Third Year     Fourth Year     Fifth Year     Sixth Year or more

**Part 2 Average Number of Full-Time Employees**

5 Average number of full-time employees in the healthy forest enterprise during the current taxable year.....	<b>5</b>	
6 Average number of full-time employees in the healthy forest enterprise during the immediately preceding taxable year.....	<b>6</b>	
7 Net increase in average number of full-time employees: Subtract line 6 from line 5. Enter the difference.....	<b>7</b>	

**Part 3 Net Increase in Qualified Employment Positions**

8 Total number of filled, qualified employment positions created in the current year .....	<b>8</b>	
9 Net increase in average number of full-time employees: Enter the amount from Part 2, line 7 .....	<b>9</b>	
10 Net increase in qualified employment positions for this healthy forest enterprise: Enter the lesser of line 8 or line 9.	<b>10</b>	

**Part 4 Limitation on Number of Qualified Employment Positions**

11 Maximum number of filled, qualified employment positions on which a credit may be calculated .....	<b>11</b>	200
12 Maximum number of new qualified employment positions on which you may claim the credit: Enter the lesser of line 10 or line 11 .....	<b>12</b>	

**Part 5 Employment Credit Calculation**

	(a) Number of Qualifying Employees	(b) Qualifying Wages	(c) Percentage	(d) Allowable Credit
13 Qualified new employees .....		00	25%	00
14 Previously qualified employees in the second year of continuous employment.....		00	33.33%	00
15 Previously qualified employees in the third year of continuous employment.....		00	50%	00
16 Employment credit passed through from Partnerships .....				00
17 Add the amounts in column (d) for lines 13 through 16. Enter the total. This is the total employment credit....				00

Continued on page 2 →

Name (as shown on page 1)	EIN
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**Part 6 Recapture of the Employment Credit**

18 Enter the taxable year in which the certification of the business as a healthy forest enterprise was revoked or terminated...	<b>18</b>	YYYY	
19 Enter the first taxable year in which the employment credit for healthy forest enterprises was allowed.....	<b>19</b>	YYYY	
20 Number of years between when the employment credit was first allowed and when the certification was revoked or terminated .....	<b>20</b>		
21 Enter the recapture percentage based on the number of years entered on line 20. See instructions.....	<b>21</b>		%
22 Enter the total amount of all employment credits previously allowed.....	<b>22</b>		00
23 Recapture of employment credit for healthy forest enterprises. Multiply line 22 by the percentage on line 21. Enter the result	<b>23</b>		00
24 Enter the total amount of the credit subject to recapture passed through to you from: Partnerships from Form 332-P, Part 3, line 8. ....	<b>24</b>		00
25 Add lines 23 and 24. Enter the total. This is the total amount of the employment credit subject to recapture. ....	<b>25</b>		00

**Part 7 Recapture of the Training Credit**

26 Enter the taxable year in which the certification of the business as a healthy forest enterprise was revoked or terminated...	<b>26</b>	YYYY	
27 Enter the first taxable year in which the training credit for healthy forest enterprises was allowed.....	<b>27</b>	YYYY	
28 Number of years between when the training credit was first allowed and when the certification was revoked or terminated.....	<b>28</b>		
29 Enter the recapture percentage based on the number of years entered on line 28. See instructions.....	<b>29</b>		%
30 Enter the total amount of all training credits previously allowed.....	<b>30</b>		00
31 Recapture of training credit for healthy forest enterprises. Multiply line 30 by the percentage on line 29. Enter the result. ....	<b>31</b>		00
32 Enter the total amount of the credit subject to recapture passed through to you from: Partnerships from Form 332-P, Part 3, line 11.....	<b>32</b>		00
33 Add lines 31 and 32. Enter the total. This is the total amount of the training credit subject to recapture.....	<b>33</b>		00

**Part 8 Partner's Share of Credits and Credit Recaptures**

Partnerships qualifying for the credit **must** pass it through to their individual partners. When passing the credit through to your individual partners, complete Form 332-P for each individual partner.

- Provide a copy of completed Form 332-P to each individual partner.
- Include a copy of each Form 332-P completed with your tax return.
- Keep a copy of each completed Form 332-P for your records.

After completing a Form 332-P for each individual partner, **STOP**. Do not complete the remainder of this form.

Name (as shown on page 1)	EIN
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**Part 9 Recapture Summary for Employment Credit**

<b>34</b> Enter the taxable year(s) in which you took an employment credit or credit carryover for a disqualified healthy forest enterprise: _____		
<b>35</b> Enter the total amount of the employment credit originally allowed .....	<b>35</b>	00
<b>36</b> Enter the total amount of the employment credit to be recaptured from Part 6, line 25 .....	<b>36</b>	00
<b>37</b> Subtract line 36 from line 35 and enter the difference. This is the amount of current employment credit allowable.....	<b>37</b>	00
<b>38</b> Amount of employment credit on line 35 that you have claimed on prior years' returns .....	<b>38</b>	00
<b>39</b> Subtract line 38 from line 37 and enter the difference. If the difference is POSITIVE: <ul style="list-style-type: none"> <li>• <i>This is the amount of employment credit carryover you have remaining for use in future years.</i></li> <li>• Adjust the amounts in Part 11, lines 46 through 50, column (d) so the total amount on line 51 equals the amount of the credit carryover remaining for use in future years. See instructions.</li> </ul> If the difference is NEGATIVE: <ul style="list-style-type: none"> <li>• <i>This is the amount of employment credit carryover you must recapture.</i></li> <li>• Adjust the amounts in Part 11, lines 46 through 50, column (d) to "0". There is no carryover amount for the employment credit. See instructions.</li> <li>• <i>Individuals:</i> Also, enter this amount as a POSITIVE number on <i>Form 301, Part 2, line 29.</i> (If you have a recapture of the employment credit <i>and</i> the training credit, add the amounts on Part 9, line 39 and Part 10, line 45. Enter the total on <i>Form 301, Part 2, line 29.</i>).....</li> </ul>	<b>39</b>	00

**Part 10 Recapture Summary for Training Credit**

<b>40</b> Enter the taxable year(s) in which you took a training credit or credit carryover for a disqualified healthy forest enterprise: _____		
<b>41</b> Enter the total amount of the training credit originally allowed .....	<b>41</b>	00
<b>42</b> Enter the total amount of the training credit to be recaptured from Part 7, line 33.....	<b>42</b>	00
<b>43</b> Subtract line 42 from line 41 and enter the difference. This is the amount of current training credit allowable.....	<b>43</b>	00
<b>44</b> Amount of credit on line 41 that you have claimed on prior years' returns.....	<b>44</b>	00
<b>45</b> Subtract line 44 from line 43 and enter the difference. If the difference is POSITIVE: <ul style="list-style-type: none"> <li>• <i>This is the amount of training credit carryover you have remaining for use in future years.</i></li> <li>• Adjust the amounts in Part 12, lines 52 through 54, column (d) so the total amount on line 55 equals the amount of the credit carryover remaining for use in future years. See instructions.</li> </ul> If the difference is NEGATIVE: <ul style="list-style-type: none"> <li>• <i>This is the amount of training credit carryover you must recapture.</i></li> <li>• Adjust the amounts in Part 12, lines 52 through 54, column (d) to "0". There is no carryover amount for the employment credit. See instructions.</li> <li>• <i>Individuals:</i> Also, enter this amount as a POSITIVE number on <i>Form 301, Part 2, line 29.</i> (If you have a recapture of the employment credit <i>and</i> the training credit, add the amounts on Part 9, line 39 and Part 10, line 45. Enter the total on <i>Form 301, Part 2, line 29.</i>).....</li> </ul>	<b>45</b>	00

**Part 11 Available Employment Credit Carryover**

	(a) Taxable Year	(b) Original Credit Amount	(c) Amount Previously Used Expired or Recaptured	(d) Available Credit Carryover: Subtract column (c) from column (b).
46		00	00	00
47		00	00	00
48		00	00	00
49		00	00	00
50		00	00	00
51	Total Available Carryover: Add lines 46 through 50 in column (d). Enter the total.....			51 00

**Part 12 Available Training Credit Carryover**

	(a) Taxable Year	(b) Original Credit Amount	(c) Amount Previously Used Expired or Recaptured	(d) Available Credit Carryover: Subtract column (c) from column (b).
52		00	00	00
53		00	00	00
54	Total Available Carryover: Add lines 52 through 54 in column (d). Enter the total.....			54 00

**Part 13 Total Available Credit**

<b>55</b>	<b>Current year's employment credit:</b> <ul style="list-style-type: none"> <li>• <i>Individuals:</i> Enter the amount from Part 5, line 17, column (d)</li> <li>• <i>Partnerships:</i> Enter "0".</li> <li>• <i>Individuals that did not make the Small Business Income election:</i> Also, enter this amount on Form 301, Part 1, line 13, column (a)</li> <li>• <i>Individuals that made the Small Business Income election:</i> Also, enter this amount on Form 301-SBI, Part 1, line 9, column (a) .....</li> </ul>			00
<b>56</b>	Enter the available <b>employment credit carryover</b> from Part 11, line 51, column (d), if any.....	<b>55</b>		00
<b>57</b>	Enter the available <b>training credit carryover</b> from Part 12, line 54, column (d), if any. <ul style="list-style-type: none"> <li>• <i>Individuals that did not make the Small Business Income election:</i> Also enter the total of lines 56 and 57 (total carryover) on Form 301, Part 1, line 13, column (b)</li> <li>• <i>Individuals that made the Small Business Income election:</i> Also enter the total of lines 56 and 57 (total carryover) on Form 301-SBI, Part 1, line 9, column (b) .....</li> </ul>	<b>56</b>		00
<b>58</b>	<b>Total available credit:</b> Add lines 55 through 57. <ul style="list-style-type: none"> <li>• <i>Individuals that did not make the Small Business Income election:</i> Also, enter this amount on Form 301, Part 1, line 13, column (c)</li> <li>• <i>Individuals that made the Small Business Income election:</i> Also enter this amount on Form 301-SBI, Part 1, line 9, column (c) .....</li> </ul>	<b>57</b>		00
		<b>58</b>		00

<b>Form 332-1</b>	<b>Qualified Employees of Healthy Forest Enterprise</b>	<b>2021</b>
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Complete a Form 332-1 for each qualified employee of the Healthy Forest Enterprise. See instructions for Form 332-1 (included with Instructions for Form 332) about providing the requested information in an alternative format.

1 Employee name: \_\_\_\_\_

2 Employee's taxpayer identification number (TIN) ..... \_\_\_\_\_

3 Did employee reside in Arizona on date of hire? .....  Yes  No

4 Brief description of employee's job duties:

5 Current date of employment ..... M M D D Y Y Y Y

6 If employee was previously employed by the business, list the previous date of employment. See instructions. .... M M D D Y Y Y Y

7a Is the employee in a permanent full time position?.....  Yes  No

7b If the answer to line 7a is "Yes", list the number of hours the employee actually worked during the taxable year ..... \_\_\_\_\_

7c If the answer to line 7b is less than 1550 hours annually, explain:

8 Employee's annual compensation for the taxable year .....	\$		00
9a Total cost of health insurance provided by employer for employee. See instructions. ....	\$		00
9b Total cost of health insurance for employee paid by employer. See instructions. ....	\$		00

10 Is this employee in a new qualified employment position? .....  Yes  No

11 Check only one box:  First year employee  Second year employee  Third year employee

**Form 332-2** **Qualified Employees for Which You are Taking the Employment Credit** **2021**

	(a) Employee's Name	(b) Social Security Number	(c) Type of Employee			(d) Total Wages Paid to the Employee During the Current Tax Year	(e) Maximum Allowable Wages:		
			Check the appropriate box. This employee is a:				Enter the lesser of column (d) or the maximum allowed below.		
			(c1) 1 <sup>st</sup> Year Employee	(c2) 2 <sup>nd</sup> Year Employee	(c3) 3 <sup>rd</sup> Year Employee		(e1) Year 1 \$2000	(e2) Year 2 \$3000	(e3) Year 3 \$3000
1						00			
2						00			
3						00			
4						00			
5						00			
6						00			
7						00			
8						00			
9						00			
10						00			
11						00			
12						00			
13						00			
14						00			
<b>15 TOTAL:</b>									
	<ul style="list-style-type: none"> <li>• For column (c), add the number of employees in each column (c1), (c2) and (c3), and enter the total for each column on line 15.</li> <li>• For columns (d) and (e), add the amounts in each column and enter the total for each column on line 15 .....</li> </ul>		<b>15</b>			00			

If you have more than 14 qualified employees, complete and include additional sheets of Form 332-2