ARIZONA FORM
AZ-VCI

Election to Participate in the Arizona Tax Shelter Voluntary Compliance Initiative

To be filed on or before April 22, 2005.

2004

Please type or print.

NAME OF PARTICIPATING TAXPAYER	SOCIAL SECURITY NO. OR EMPLOYER IDENTIFICATION NO. (EIN)
NAME OF SPOUSE (if applicable)	SPOUSE'S SOCIAL SECURITY NO.
PRESENT ADDRESS - NUMBER AND STREET, PO BOX, RURAL ROUTE APT. NO.	↑ **IMPORTANT** ↑ You **must** enter SSNs or EIN.
CITY, TOWN OR POST OFFICE STATE ZIP CODE	DAYTIME PHONE NUMBER *(with area code)*

Important! Please read instructions on page 2 of this form.

Purpose

Arizona Form AZ-VCI, *Election to Participate in the Arizona Tax Shelter Voluntary Compliance Initiative,* allows taxpayers (or their properly appointed representatives) who participated in any "potentially abusive" tax shelter to come forward, disclose the "listed transaction", and comply with Arizona tax laws for tax years beginning on or before December 31, 2003.

Please complete the following:

		Yes	No
1 Has a Power of Attorney been properly completed for the taxpayer? If "Yes", *attach a copy of the Power of Attorney.*	**1**	☐	☐
2 Has the taxpayer been audited or participated in a settlement of this transaction with the Internal Revenue Service (IRS)? If "Yes", *complete lines 2a and 2b*	**2**	☐	☐
2a *Enter the taxable year(s) or income year(s) included in the settlement:* _____			
2b *Enter the date of and attach a copy of the settlement:* M M D D Y Y Y Y			
3 Has the taxpayer been audited or participated in a settlement of this transaction with another tax jurisdiction(s)? If "Yes", *complete lines 3a, 3b, and 3c*	**3**	☐	☐
3a *Enter the taxable year(s) or income year(s) included in the settlement:* _____			
3b *Enter the date of and attach a copy of the settlement:* M M D D Y Y Y Y			
3c *Enter the name of the tax jurisdiction(s):*			
4 Is the taxpayer currently under audit by the IRS or another tax jurisdiction? If "Yes", *complete lines 4a and 4b.*	**4**	☐	☐
4a *Enter the taxable year(s) or income year(s) included in the audit:* _____			
4b *Enter the name of the tax jurisdiction(s):*			
5 Describe the transaction(s) where the tax benefits were claimed. *Attach additional sheets if necessary.*			

I declare under penalty of perjury that I am eligible for the voluntary compliance initiative and that the information on this form and any accompanying returns and schedules is, to the best of my knowledge, true, correct and complete.

PLEASE SIGN HERE

► _____ _____
SIGNATURE OF CORPORATE OFFICER OR INDIVIDUAL TAXPAYER DATE

► _____ _____
SPOUSE'S SIGNATURE (if applicable) DATE

► _____ _____
PAID PREPARER'S SIGNATURE FIRM'S NAME (PREPARER'S IF SELF-EMPLOYED)

_____ _____ _____
PAID PREPARER'S TIN DATE PAID PREPARER'S ADDRESS

Mail original form to: **Arizona Department of Revenue, Tax Shelter Unit, PO Box 52153, Phoenix, AZ, 85072-2153.**
Keep a copy for your records.

Who may file form AZ-VCI?

Any taxpayer who has participated in any "potentially abusive" tax shelter designated by the IRS as a "listed transaction". A "listed transaction" is a transaction that is the same as, or substantially similar to, one identified by the IRS under I.R.C. §6011 and the Treasury Regulations thereunder, whether or not:

- The IRS had identified the transaction as a "listed transaction" at the time the taxpayer entered into the transaction; or
- The transaction is (or was) required to be disclosed by the taxpayer as a "listed transaction" pursuant to the Treasury Regulations (including the temporary regulations) under I.R.C. §6011.

Required Procedures

Taxpayers participating in this program must notify the Arizona Department of Revenue (DOR) of their election by **sending Arizona Form AZ-VCI**, *Election to Participate in the Arizona Tax Shelter Voluntary Compliance Initiative,* to the department **on or before April 22, 2005**.

Taxpayers must attach the federal original return and relevant schedules, a federal amended return, the Arizona original return, and the Arizona amended return. Taxpayers must also provide proof of cost for establishing the tax shelter and demonstrate that such cost was not previously deducted on the original federal return. Taxpayers will have until **May 13, 2005** to submit payment of tax and interest.

Signature

A corporate officer or individual taxpayer **must** sign this form. If your spouse is also filing this form, both you and your spouse must sign.

Others Who Can Sign For You

Anyone with a signed Power of Attorney may sign on your behalf.

Paid Preparer's Signature

Anyone you pay to prepare your return **must** sign and date it. Paid preparers **must** also enter their Social Security Number or Tax Identification Number (TIN).

Mail to:

Arizona Department of Revenue
Tax Shelter Unit
PO Box 52153
Phoenix, AZ 85072-2153

For further information:

visit the Tax Shelter web page at **www.azdor.gov**, or

call the Tax Shelter Unit at **(602) 716-6450**, or

send an email to **atatunit@azdor.gov**