

Phone Numbers

For information or help, call one of the numbers listed:

Phoenix (602) 255-3381
From area codes 520 and 928, toll-free (800) 352-4090

Tax forms, instructions, and other tax information

If you need tax forms, instructions, and other tax information, go to the department's Internet home page at www.azdor.gov.

Income Tax Procedures and Rulings

These instructions may refer to the department's income tax procedures and rulings for more information. To view or print these, go to our home page and click on *Legal Research* then click on *Procedures* or *Rulings* and select a tax type from the drop down menu.

Publications and Brochures

To view or print the department's publications and brochures, go to our home page and click on *Publications*.

General Instructions

You must complete and attach Form 301 to your income tax return to claim nonrefundable tax credits unless you meet one of the exceptions listed under "*When Form 301 is not required*." Use this form to:

- Summarize your total available nonrefundable tax credits.
- Determine the application of the available tax credits.
- Summarize your tax liability related to recapture of tax credits.
- Claim *any* available credit carryover.

When Form 301 is Not Required

1. You are not required to complete and attach Form 301 to your tax return to claim any of the following credits.

- Family Income Tax Credit (from the worksheet in your income tax form instructions)
- Property Tax Credit (Form 140PTC)
- Excise Tax Credit (from the worksheet in your income tax form instructions)

2. You are not required to complete and attach Form 301 to your tax return to claim a new credit from any of the following nonrefundable tax credits *and* the total amount of the credits claimed is *equal to or less than* your income tax.

Use the worksheet in the credit form instructions to see if you must complete and attach Form 301 to your return.

- Credit for Solar Energy Devices (Form 310)
- Credit for Contributions to Qualifying Charitable Organizations (Form 321)
- Credit for Contributions Made or Fees Paid to Public Schools (Form 322)
- Credit for Contributions to Private School Tuition Organizations (Form 323)

Line-by-Line Instructions

Enter your name and Social Security Number (SSN) as shown on Arizona Form 140, 140PY, 140NR, or 140X.

All returns, statements, and other documents filed with the Arizona Department of Revenue ("Department") require a taxpayer identification number (TIN). The TIN is a correct SSN or an Internal Revenue Service (IRS) individual taxpayer identification number (ITIN). Taxpayers and paid preparers who fail to include the proper TIN may be subject to a penalty. Please check the return to be sure that all required identification numbers are accurate and written clearly. Missing, incorrect, or unclear identification numbers may cause delays in processing the returns.

Part I: Nonrefundable Individual Tax Credits

Complete Part I to determine the total amount of available nonrefundable tax credits. The available tax credit amount for a particular credit is the total of the current taxable year's credit and any unused credit carryovers available from prior taxable years. On lines 1 through 29, enter the available tax credit amount for each of the credits listed.

Line 1 - Enterprise Zone Credit

Enter the amount from Form 304, Part VII, line 24.

Line 2 - Environmental Technology Facility Credit

Enter the amount from Form 305, Part VII, line 42.

Line 3 - Military Reuse Zone Credit

Enter the amount from Form 306, Part IX, line 44.

Line 4 - Recycling Equipment Credit

Enter the amount from Form 307, line 6, column (d).

Line 5 - Credit for Increased Research Activities - Individuals

Enter the amount from Form 308-I, Part IV, line 27c, or from Form 308-I, Part VIII, line 53.

Line 6 - Credit for Taxes Paid to Another State or Country

Enter the amount from Form 309, Part II, line 17.

Line 7 - Credit for Solar Energy Devices

Enter the amount from Form 310, Part III, line 18.

Line 8 - Agricultural Water Conservation System Credit

Enter the amount from Form 312, Part VI, line 22.

Line 9 - Pollution Control Credit

Enter the amount from Form 315, Part V, line 32.

Line 10 - Credit for Solar Hot Water Heater Plumbing Stub Outs and Electric Vehicle Recharge Outlets

Enter the amount from Form 319, Part VII, line 32.

Line 11 - Credit for Employment of TANF Recipients

Enter the amount from Form 320, Part VIII, line 31.

Line 12 - Credit for Contributions to Qualifying Charitable Organizations

Enter the amount from Form 321, Part III, line 17.

Line 13 - Credit for Contributions Made or Fees Paid to Public Schools

Enter the amount from Form 322, Part III, line 15.

Line 14 - Credit for Contributions to Private School Tuition Organizations

Enter the amount from Form 323, Part III, line 14.

Line 15 - Agricultural Pollution Control Equipment Credit

Enter the amount from Form 325, Part V, line 32.

Line 16 - Credit for Donation of School Site

Enter the amount from Form 331, Part V, line 25.

Line 17 - Credits for Healthy Forest Enterprises

Enter the amount from Form 332, Part XV, line 76.

Line 18 - Credit for Employing National Guard Members

Enter the amount from Form 333, Part VI, line 22.

Line 19 - Motion Picture Credits

Enter the amount from Form 334, Part V, line 20, column (d).

Line 20 - Credit for Solar Energy Devices - Commercial and Industrial Applications

Enter the amount from Form 336, Part IX, line 46.

Line 21 - Credit for Investment in Qualified Small Businesses

Enter the amount from Form 338, Part V, line 14.

Line 22 - Credit for Water Conservation Systems

Enter the amount from Form 339, line 5.

Line 23 - Credit for Donations to the Military Family Relief Fund

Enter the amount from Form 340, line 4.

Line 24 - Renewable Energy Production Tax Credit

Enter the amount from Form 343, Part V, line 26.

Line 25 - Solar Liquid Fuel Credit

Enter the amount from Form 344, Part IV, line 22.

Line 26 - Credit for New Employment

Enter the amount from Form 345, Part VIII, line 42.

Line 27 - Additional Credit for Increased Research Activities for Basic Research Payments

Enter the amount from Form 346, Part VII, line 31.

Line 28 - Credit for Qualified Health Insurance Plans

Enter the amount from Form 347, Part VI, line 20.

Line 29 - Credit for Contributions to Certified School Tuition Organization (for contributions that exceed the allowable credit on AZ Form 323)

Enter the amount from Form 348, Part IV, line 18.

Line 30 - Total Available Tax Credits

Add lines 1 through 29. Enter the total. This is the total amount of all nonrefundable tax credits, except the family income tax credit, available for your use.

Part II: Application of Tax Credits and Recapture

Complete Part II to figure any recapture. Also, complete Part II to determine which tax credits you will claim and the portion of the available tax credit amount from Part I that you will claim for a particular tax credit.

Line 31 -

Enter the amount of tax from Form 140, line 21; or Form 140PY, line 24; or Form 140NR, line 24; or Form 140X, line 27.

Line 32 -

Enter the amount of tax from recapture of the environmental technology facility credit from Form 305, Part V, line 23.

Line 33 -

Enter the amount of tax from recapture of the credits for healthy forest enterprises from Form 332, Part XI, line 53 and/or Part XII, line 59. If you have a recapture on both Form 332, Part XI, line 53 and Form 332, Part XII, line 59, add lines 53 and 59 and enter the total.

Line 34 -

Enter the amount of tax from recapture of the credit for renewable energy industry from Form 342, Part V, line 17.

Line 35 -

Enter the amount of tax from recapture of the credit for qualified facilities from Form 349, Part V, line 17.

Line 36 -

Add lines 32, 33, 34 and 35. Enter the total here and on Form 140, line 22; or Form 140PY, line 25; or Form 140NR, line 25; or Form 140X, line 28.

Line 37 -

Add lines 31 and 36. Enter the total here.

Line 38 -

If you claimed a family income tax credit, enter the amount of family income tax credit claimed from Form 140, line 24; or Form 140PY, line 27; or Form 140X, line 30. Form 140NR filers, enter zero.

Line 39 -

Subtract line 38 from line 37. Enter the difference. **If less than zero, enter "zero."**

Nonrefundable Tax Credits Claimed: The total amount of tax credits you claim cannot exceed the amount entered on line 39. In order for you to determine which tax credit(s) to claim and the amount to claim for a particular tax credit, you must consider any limitations on the allowable amount of a particular tax credit and whether you may carry the unused portion of a particular tax credit forward.

Line 40 - Enterprise Zone Credit

Taxpayers located in a former enterprise zone prior to June 30, 2011, may qualify to claim a third year credit for qualified employment positions. You may carry the unused portion of this tax credit forward for 5 succeeding taxable years. See Form 304 for more information. Enter the amount claimed.

Line 41 - Environmental Technology Facility Credit

You may carry the unused portion of this tax credit forward for 15 succeeding taxable years. The portion of the available credit amount from Part I, line 2, that you may claim is limited to 75% of the amount of tax entered on line 37. See Form 305 for details. Enter the amount claimed.

Line 42 - Military Reuse Zone Credit

You may carry the unused portion of this tax credit forward for 5 succeeding taxable years if the business remains in the military reuse zone. You lose the carryover if the business relocates outside of the military reuse zone. See Form 306 for details. Enter the amount claimed.

Line 43 - Recycling Equipment Credit

The recycling equipment credit allowable to individuals has been repealed. You may not take this credit for taxable years beginning January 1, 2003 or later. However, the repeal did not affect any credit carryover that accrued prior to the repeal. See Form 307 for details.

The portion of the available credit carryover that you may claim is limited to the *lesser* of 25% of the amount of tax entered on line 37 or \$5,000. Enter the amount claimed.

Line 44 - Credit for Increased Research Activities - Individuals

The unused portion of this tax credit may be carried forward for 15 succeeding taxable years. See Form 308-I for details. Enter the amount claimed.

Line 45 - Credit for Taxes Paid to Another State or Country

There is no carry forward of the unused portion of this tax credit. See Form 309 for details. Enter the amount claimed.

Line 46 - Credit for Solar Energy Devices

You may carry the unused portion of this credit forward for 5 succeeding taxable years. See Form 310 for details. Enter the amount claimed. Form 140NR filers, enter zero.

Line 47 - Agricultural Water Conservation System Credit

You may carry the unused portion of this tax credit forward for 5 succeeding taxable years. See Form 312 for details. Enter the amount claimed.

Line 48 - Pollution Control Credit

You may carry the unused portion of this credit forward for 5 succeeding taxable years. See Form 315 for details. Enter the amount claimed.

Line 49 - Credit for Solar Hot Water Heater Plumbing Stub Outs and Electric Vehicle Recharge Outlets

You may carry the unused portion of this tax credit forward for 5 succeeding taxable years. See Form 319 for details. Enter the amount claimed.

Line 50 - Credit for Employment of TANF Recipients

You may carry the unused portion of this tax credit forward for 5 succeeding taxable years. See Form 320 for details. Enter the amount claimed.

Line 51 - Credit for Contributions to Qualifying Charitable Organizations

You may carry the unused portion of this tax credit forward for 5 succeeding taxable years. Beginning with tax year 2013,

you do not have to itemize your deductions to claim this credit. See Form 321 for details. Enter the amount claimed.

Line 52 - Credit for Contributions Made or Fees Paid to Public Schools

You may carry the unused portion of this tax credit forward for 5 succeeding taxable years. See Form 322 for details. Enter the amount claimed.

Line 53 - Credit for Contributions to Private School Tuition Organizations

You may carry the unused portion of this tax credit forward for 5 succeeding taxable years. See Form 323 for details. Enter the amount claimed.

Line 54 - Agricultural Pollution Control Equipment Credit

You may carry the unused portion of this tax credit forward for 5 succeeding taxable years. See Form 325 for details. Enter the amount claimed.

Line 55 - Credit for Donation of School Site

You may carry the unused portion of this tax credit forward for 5 succeeding taxable years. See Form 331 for details. Enter the amount claimed.

Line 56 - Credits for Healthy Forest Enterprises

You may carry the unused portion of this tax credit forward for 5 succeeding taxable years. See Form 332 for details. Enter the amount claimed.

Line 57 - Credit for Employing National Guard Members

You may carry the unused portion of this tax credit forward for 5 succeeding taxable years. See Form 333 for details. Enter the amount claimed.

Line 58 - Motion Picture Credits

Motion picture production companies that produced motion pictures, commercials, music videos, or television series completely or partially in Arizona may claim a transferable income tax credit for production costs. To qualify, productions must have been preapproved by the Arizona Commerce Authority by December 31, 2010. See Form 334 for more information.

Line 59 - Credit for Solar Energy Devices - Commercial and Industrial Applications

You may carry the unused portion of this tax credit forward for 5 succeeding taxable years. See Form 336 for details. Enter the amount claimed.

Line 60 - Credit for Investment in Qualified Small Businesses

You may carry the unused portion of this tax credit forward for 3 succeeding taxable years. See Form 338 for details. Enter the amount claimed.

Line 61 - Credit for Water Conservation Systems

For calendar year filers, 2011 was the last year to establish a new credit for a water conservation system. Fiscal year filers with an ending date after December 31, 2011, could not establish a new credit in 2011.

Carryovers will be allowed for no more than 5 succeeding taxable years. See Form 339 for details. Enter the amount claimed. Form 140NR filers, enter zero.

Line 62 - Credit for Donations to the Military Family Relief Fund

There is no carryover for this credit. You must use this credit on the tax return filed for the taxable year in which you made your donation. The amount of the credit that you may claim is limited to the amount of your tax liability. See Form 340 for details. Enter the smaller of the amount entered on Part I, line 23 or on Part II, line 37.

Line 63 - Renewable Energy Production Tax Credit

You may carry the unused portion of this tax credit forward for 5 succeeding taxable years. See Form 343 for details. Enter the amount claimed.

Line 64 - Solar Liquid Fuel Credit

The unused portion of this credit may not be carry forward. See Form 344 for details. Enter the amount claimed.

Line 65 - Credit for New Employment

You may carry the unused portion of this tax credit forward for 5 succeeding taxable years. See Form 345 for details. Enter the amount claimed.

Line 66 - Additional Credit for Increased Research Activities for Basic Research Payments

You may carry the unused portion of this tax credit forward for 5 succeeding taxable years. See Form 346 for details. Enter the amount claimed.

Line 67 - Credit for Qualified Health Insurance Plans

You may carry the unused portion of this tax credit forward for the next succeeding taxable year. See Form 347 for details. Enter the amount claimed.

Line 68 - Credit for Contributions to Certified School Tuition Organization (for contributions that exceed the allowable credit on AZ Form 323)

You may carry the unused portion of this tax credit forward for 5 succeeding taxable years. See Form 348 for details. Enter the amount claimed.

Line 69 - Total Tax Credits Claimed

Add lines 40 through 68 and enter the total here. **This amount cannot exceed the amount entered on line 39.** Enter the amount from this line on Form 140, line 25; or Form 140PY, line 28; or Form 140NR, line 27; or Form 140X, line 31.

Credit Carryover Worksheet

To figure how much of a credit carryover that you will have for next year, complete the carryover worksheet below. Keep the worksheet with your records and use the information to complete your 2014 return that you will file in 2015.

If you have more than 4 credit types available, use your own worksheet. Make sure the additional worksheet has the same information as this worksheet.

Credit Carryover Worksheet						
Keep this worksheet with your records. Use this information to complete your 2014 credit forms that you will file in 2015.						
(a) Credit Type		(b) Carryover?		(c) 2013 Credit	(d) Credit used for 2013	(e) Carryover to 2014
On lines 1 through 4 below, enter the types of credits available to you for 2013.		May the unused credit for the type of credit entered in column (a) be carried forward? (See the applicable credit form for information about a specific credit.) Check either yes or no. If the answer is no, do not complete columns (c) through (e) for that line.		On lines 1 through 4 below, enter the amount of each credit available to you for 2013. Take these amounts from Form 301, lines 1 through 29.	On lines 1 through 4 below, enter the amount of each credit used for 2013. Take these amounts from Form 301, lines 40 through 68.	For each line on which you have entered an amount, subtract the amount in column (d) from the amount in column (c). This is the amount of each credit that you may carryover to 2014, providing the credit carryover may be carried to 2014. Use this figure when completing the appropriate 2014 credit form(s).
1.				.00	.00	.00
2.				.00	.00	.00
3.				.00	.00	.00
4.				.00	.00	.00