

2001 Enterprise Zone Credit

Obtain additional information or assistance, tax forms and instructions, and copies of tax rulings and tax procedures by contacting one of the numbers listed below:

- Phoenix (602) 255-3381
- From area codes 520 and 928, toll-free (800) 352-4090
- Form Orders (602) 542-4260
- Forms by Fax (602) 542-3756
- Recorded Tax Information
 - Phoenix (602) 542-1991
 - From area codes 520 and 928, toll-free (800) 845-8192
- Hearing impaired TDD user
 - Phoenix (602) 542-4021
 - From area codes 520 and 928, toll-free (800) 397-0256

Obtain tax rulings, tax procedures, tax forms and instructions, and other tax information by accessing the department's Internet home page at:

www.revenue.state.az.us

General Instructions

If you have questions about where enterprise zones are located, contact the Arizona Department of Commerce Enterprise Zones Administrator at (602) 280-1341.

Effective for taxable years beginning from and after December 31, 1995: The credit is for net increases in qualified employment positions by a business located in an enterprise zone. EXCEPTION EFFECTIVE FOR TAXABLE YEARS BEGINNING FROM AND AFTER DECEMBER 31, 1995 AND BEFORE JANUARY 1, 2001: No credit is allowed for those positions at a business location where tangible personal property is sold at retail. EXCEPTION EFFECTIVE FOR TAXABLE YEARS BEGINNING FROM AND AFTER DECEMBER 31, 2000: No credit is allowed for those positions at a business location where more than 10 percent of the business conducted at the location consists of selling tangible personal property at retail, measured by the number of employees assigned to retail at the location in the enterprise zone.

TAXABLE YEAR 2001 RETURNS: Taxpayers that claimed the credits for qualified employees and dislocated workers in prior taxable years may only claim the available credit carryover under those provisions.

The following charts highlight the revised enterprise zone credit provisions.

<p>Highlights of Enterprise Zone Credit for Taxable Years Beginning From and After December 31, 2000</p>
<p>Enterprise Zone Credit for Qualified Employees and Dislocated Workers</p>
<ul style="list-style-type: none"> • Credit carryover allowed (maximum of 5 taxable years) during life of enterprise zone program unless business relocates outside of enterprise zone. A business located in an enterprise zone that is terminated may claim its credit carryover, if the business remains at the location that was formerly in an enterprise zone. (See instruction page 2.)
<p>How to Claim the Available Carryover of These Credits: Complete Parts I through III and Part XII of Form 304.</p>

Highlights of Enterprise Zone Credit for Taxable Years Beginning From and After December 31, 2000

Enterprise Zone Credit for Qualified Employment Positions

- Credit allowed for net increases in qualified employment positions by a business located in an enterprise zone. EXCEPTION: No credit allowed for qualified employment positions at a business location where more than 10 percent of the business conducted at the location consists of selling tangible personal property at retail, measured by the number of employees assigned to retail at the location in the enterprise zone.
- Employees in qualified employment positions must be Arizona residents.
- Maximum allowable credit per qualified employment position is \$500 for first year, \$1,000 for second year, and \$1,500 for third year.
- Credit carryover allowed (maximum of 5 taxable years) during life of enterprise zone program unless business relocates outside of enterprise zone.
- A business located in an enterprise zone that is terminated may claim its second and third year credits and its credit carryover, if the business remains at the location that was formerly in an enterprise zone.
- Business must be located in an enterprise zone prior to July 1, 2006, to be eligible for the credit.
- Thirty-five percent of employees in qualified employment positions for which the first year credit is claimed must be residents of an enterprise zone within the county in which the business is located.

How to Claim This Credit:
Complete Parts IV through XII of Form 304 and Forms 304-1 and 304-2.

NOTE: Taxpayers filing amended returns to claim the enterprise zone credit for prior taxable years must use the Form 304 for those taxable years.

Specific Instructions

Enter the taxpayer name and federal employer identification number or social security number as shown on the tax return. Indicate the period covered by the taxable year (in an MM/DD/YYYY format). Attach the completed forms to the tax return.

All returns, statements, and other documents filed with the department require a taxpayer identification number (TIN). The TIN for a corporation, or an S corporation is the taxpayer's federal employer identification number. The TIN for an individual is the taxpayer's social security number or an IRS individual taxpayer identification number. Taxpayers that fail to include their TIN may be subject to a penalty.

Enterprise Zone Credits for Qualified Employees and Dislocated Workers

Effective for taxable years beginning from and after December 31, 1995: Taxpayers were allowed to claim the enterprise zone credits for previously qualified employees and previously dislocated workers in the second or third year of continuous employment if the taxpayer claimed the first year or second year credit for such employees for a taxable year beginning prior to January 1, 1996. Effective for taxable years beginning from and after December 31, 1997, taxpayers may only claim the available carryover of tax credits for previously qualified employees and previously dislocated workers.

Taxpayers claiming only the carryover of enterprise zone credits for qualified employees and dislocated workers, complete Parts I through III and Part XII of Form 304.

Part I - Business Information

Lines 1 through 3 -

On lines 1, 2 and 3, enter the name, address, Arizona withholding number, and federal employer identification number of the business which is at a site located in an enterprise zone.

On line 2, enter the address of the business' actual location in the enterprise zone, not the business' mailing address.

NOTE: Complete a separate Form 304 for each business location in an enterprise zone for which a tax credit is being claimed. If a business has more than one business location in a designated enterprise zone, it must complete a separate Form 304 for each location within that zone. If a business has more than one business location in Arizona and the business locations are in different enterprise zones, it must complete separate Forms 304 for each business location in each enterprise zone.

Part II - Available Credit Carryover

The business should complete Part II only if its allowable enterprise zone tax credit for prior taxable years exceeded its Arizona income tax liability for those taxable years. TAXABLE YEAR 2001 RETURNS: The available carryover of the credits for qualified employees and dislocated workers applies to unused tax credits from taxable years beginning from and after December 31, 1995 and before January 1, 1998.

NOTE: The business is allowed to carry forward the amount of the unused enterprise zone credit, for a period not to exceed five taxable years, provided the business remains in the enterprise zone. However, if the business relocates outside of the enterprise zone, the carryover of the tax credit is lost. A business located in an enterprise zone that is terminated may claim its credit carryover, if the business remains at the location that was formerly in an enterprise zone.

Partners of a partnership or shareholders of an S corporation should complete Part II only if their allowable enterprise zone tax credit for prior taxable years exceeded their Arizona income tax liability for those taxable years.

Line 4 -

Enter the applicable taxable year(s) in columns (a) through (e).

Line 5 -

In columns (a) through (e), enter the amount of the original tax credit earned for that taxable year.

Line 6 -

In columns (a) through (e), enter the amount of the tax credit for that taxable year which has been previously used.

Line 7 -

In columns (a) through (e), subtract the amount on line 6 from the amount on line 5. Enter the result in the applicable columns on line 7. This is the tentative carryover.

Line 8 -

In columns (a) through (e), enter the amount of the credit which is unallowable because the business is no longer located in the enterprise zone or is not at the location that formerly was in an enterprise zone.

Line 9 -

In columns (a) through (e), subtract the amount on line 8 from the amount on line 7. Enter the result in the applicable columns on line 9. This is the carryover available from prior taxable years.

Line 10 -

Add the amounts in columns (a) through (e) on line 9. Enter the total in column (f) on line 10. This is the total enterprise zone credit carryover available for the taxable year 2001.

In order for a partner of a partnership or a shareholder of an S corporation to be eligible for an enterprise zone credit carryover, the business must remain in the enterprise zone or at the location that was formerly in an enterprise zone. Therefore, a partnership or an S corporation that passed the credit through to its partners or shareholders must furnish each partner or shareholder with a statement indicating that the business is still located in the enterprise zone or is still at the location that was formerly in an enterprise zone.

Each partner or S corporation shareholder must complete Part II for the computation of the available carryover of the credit passed through by the partnership or S corporation.

Part III - Total Available Credit for Qualified Employees and Dislocated Workers

Line 11 -

Enter the amount from Part II, line 10, column (f). This is the total available enterprise zone credit for qualified employees and dislocated workers. Enter this amount on Part XII, line 45.

NOTE: If the business is claiming an enterprise zone credit carryover for more than one business location, the business should attach a separate schedule which details the use of the credit carryover by location. If the business is claiming an enterprise zone credit carryover for more than one business location, enter the aggregate credit carryover amounts on line 11.

Enterprise Zone Credit for Qualified Employment Positions

ARS §§ 43-1074 and 43-1161 provide corporate and individual NONREFUNDABLE tax credits for net increases in qualified employment positions by a business located in an enterprise zone.

The Arizona Department of Commerce administers some of the provisions of the Arizona Enterprise Zones Program. Refer to ARS §§ 41-1521 through 41-1528 for further information regarding these provisions.

NOTE: A taxpayer participating in the enterprise zone credit program must certify certain information to the Arizona Department of Commerce. Contact the Arizona Department of Commerce Enterprise Zones Administrator at (602) 280-1341 regarding certification requirements or to obtain certification forms or copies of enterprise zone program guidelines.

If the documents filed with the Arizona Department of Commerce or the Arizona Department of Revenue contain materially false information, the taxpayer is ineligible for the enterprise zone tax credit and is subject to recovery of the amount of enterprise zone tax credits allowed in preceding taxable years based on the false information.

Taxpayers claiming only the enterprise zone credit for qualified employment positions complete Parts IV through XII of Form 304 and Forms 304-1 and 304-2.

A business must be located within an enterprise zone prior to July 1, 2006, in order to be eligible for the enterprise zone credit for qualified employment positions. A business located within a zone by June 30, 2006, may qualify for the tax credit at any time during the life of the enterprise zone program. If a business is not located within an enterprise zone by June 30, 2006, it is not eligible for the enterprise zone tax credit for qualified employment positions.

Thirty-five percent of the employees in a qualified employment position for which the first year credit is claimed must be residents of an enterprise zone within the county in which the business is located on the date of hire. The employees in the new qualified employment positions must have been hired for taxable years beginning from and after December 31, 1995.

The enterprise zone credit for qualified employment positions is equal to:

- One-fourth of the taxable wages paid to an employee in a qualified employment position, not to exceed \$500 per qualified employment position, in the first year or partial year of employment.
- One-third of the taxable wages paid to an employee in a qualified employment position, not to exceed \$1,000 per qualified employment position, in the second year of continuous employment.
- One-half of the taxable wages paid to an employee in a qualified employment position, not to exceed \$1,500 per qualified employment position, in the third year of continuous employment.

If the allowable enterprise zone credit exceeds the taxpayer's income tax liability, the taxpayer may carry over any unused amount for up to five taxable years, providing the business remains in the enterprise zone. However, if the business relocates outside of the enterprise zone, the carryover of the tax credit is lost. A business located in an enterprise zone that is terminated may claim its credit carryover, if the business remains at the location that was formerly in an enterprise zone.

Part IV - Business Information

Lines 12 through 14 -

On lines 12, 13, and 14, enter the name, address, Arizona withholding number, and federal employer identification number of the business which is at a site located in an enterprise zone.

On line 13, enter the address of the business' actual location in the enterprise zone, not the business' mailing address.

Line 15 - Sales of Tangible Personal Property at Retail

Answer the question on line 15. If the answer to this question is yes, the business is not eligible for an enterprise zone credit for any of its qualified employment positions (Part VII, lines 24 through 27 of Form 304). The business is not eligible for the credit if more than 10 percent of the business consists of selling tangible personal property at retail at the business location in the enterprise zone, measured by the number of employees assigned to retail at the location in the enterprise zone. A retail sale of tangible personal property is a sale of tangible personal property to the ultimate consumer.

NOTE: Complete a separate Form 304 for each business location in an enterprise zone for which a tax credit is being claimed. If a business has more than one business location in a designated enterprise zone, it must complete a separate Form 304 for each location within that zone. If a business has more than one business location in Arizona and the business locations are in different enterprise zones, it must complete separate Forms 304 for each business location in each enterprise zone.

Part V - Net Increase in Qualified Employment Positions

The enterprise zone credit is based on net increases in qualified employment positions by a business located in an enterprise zone. The net increase in the number of qualified employment positions is determined by comparing the average full time employment during the current taxable year with the average full time employment during the immediately preceding taxable year.

The net increase in qualified employment positions calculation includes all full time employees. It is not limited to full time employees in qualified employment positions. Full time employment means the position must be a minimum of 1,750 hours per year of regularly scheduled work hours. Do not include overtime hours in the minimum requirement computation.

Lines 16 and 17 -

- **Line 16:** Enter the average full time employment during

the current taxable year. A new full time employee is a newly hired employee who was not employed by the employer within the preceding 12 months. Include new full time employees who were employed for at least 90 days during the taxable year. **EXCEPTION:** Count a full time employee hired during the last 90 days of the taxable year as a new employee during the next taxable year.

- **Line 17:** Enter the average full time employment during the immediately preceding taxable year. A newly established business in an enterprise zone would not have any full time employment within the zone during the immediately preceding taxable year. Such a business would have zero average full time employment during the immediately preceding taxable year. Therefore, such a business would enter zero on line 17 of the Form 304.

An established business already located in an area which subsequently becomes a designated enterprise zone would have full time employment at this location during the immediately preceding taxable year. This employer would calculate the average full time employment of the immediately preceding taxable year according to the worksheet on page 4 of the instructions. Line 15 of the worksheet's immediately preceding taxable year column is the amount which is entered on line 17 of the Form 304.

Complete the following worksheet to determine the average full time employment. On lines 1 through 12 of the worksheet, enter the number of full time employees employed at the end of each month by the business located in the enterprise zone.

Average Full Time Employment Worksheet			
		Line 16 Column – Current Taxable Year	Line 17 Column – Immediately Preceding Taxable Year
1	January		
2	February		
3	March		
4	April		
5	May		
6	June		
7	July		
8	August		
9	September		
10	October		
11	November		
12	December		
13	Total – Add lines 1 through 12.		
14	Total number of months during the taxable year in which the employer was in business.		
15	Average – Divide the amount on line 13 by the amount on line 14. Do not round the quotient.		

Line 18 - Net Increase in Qualified Employment Positions

Subtract the amount on line 17 from the amount on line 16. If this amount is less than one, enter zero. If this amount contains a decimal, round down to the next whole number. This is the net increase in qualified employment positions for the current taxable year.

NOTE: *If the amount shown on line 18 is zero, the business may not claim an enterprise zone credit for qualified employment positions created during the current taxable year. Do not complete Form 304-1 or the portion of Form 304-2 relating to first year credits. Enter zero on Part VI, line 22c of Form 304. Do not complete Part VII, line 24 of Form 304.*

Part VI - Maximum Number of Qualified Employment Positions

Line 19 -

Enter the total number of qualified employment positions created during the taxable year. A newly created position is a qualified employment position ON THE DATE that it meets ALL of the requirements for a qualified employment position.

A qualified employment position must meet **all** of the following requirements:

- The position must be a minimum of 1,750 hours per year of full time employment. Do not include overtime hours in the minimum requirement computation.
- The position must include health insurance coverage for the employee for which the employer pays at least 50 percent of the premium or membership cost.
- The compensation paid by the employer for this position must at least equal the wage offer by county for a particular taxable year as computed annually by the Department of Economic Security Research Administration Division.

NOTE: *Contact the Arizona Department of Commerce Enterprise Zones Administrator at (602) 280-1341 regarding the wage offer by county for a particular taxable year as computed annually by the Department of Economic Security Research Administration Division.*

Line 20 -

Enter the net increase in qualified employment positions from Part V, line 18.

Line 21 -

Enter the smaller of line 19 or line 20. This is the maximum number of new qualified employment positions for which the business may claim a credit before application of the 35 percent enterprise zone residency requirement.

Application of 35 Percent Enterprise Zone Residency Requirement

Thirty-five percent of the new employees in qualified employment positions for which the first year credit is claimed must be enterprise zone residents. The employees in

these positions must be residents of an enterprise zone within the county in which the business is located on the date of hire during the taxable year.

Line 22a -

Enter the number of new employees in qualified employment positions that are enterprise zone residents.

Line 22b -

Divide the amount on line 22a by 35 percent (.35). Enter the quotient. If this amount contains a decimal, round down to the next whole number.

Line 22c -

Enter the smaller of line 21 or line 22b. This is the maximum number of qualified employment positions for which the credit may be claimed after application of the enterprise zone residency requirement.

NOTE: Complete the Form 304-2 listing each qualified employment position for which the credit is being claimed only after completing Part VI and Part VII, line 23, of Form 304. The maximum number of qualified employment positions entered on Part VII, line 24, column (a), cannot exceed the number of qualified employment positions entered on Part VI, line 22c.

Part VII - Credit Calculation for Qualified Employment Positions

The enterprise zone credit for qualified employment positions is a new credit that applies only to taxable years beginning from and after December 31, 1995. The business may claim the first year credit only for employees in new qualified employment positions who were hired in taxable years beginning from and after December 31, 1995.

The taxpayer may claim the first, second, and third year credits for a qualified employment position only if the position continues to meet all of the requirements for a qualified employment position. The compensation paid by the employer for the position must at least equal the wage offer by the county published for a particular taxable year beginning on the first day of the employer's taxable year to maintain eligibility for the second and third year credits.

A business located in an enterprise zone that is terminated may claim the second and third year credits for a qualified employment position, if the business remains at the location that was formerly in an enterprise zone and the position continues to meet all of the requirements for a qualified employment position.

Line 23 - Arizona Residency

Answer the question on line 23. If the answer to this question is no, the business is not eligible for an enterprise zone credit for its qualified employment positions (lines 24 through 27) filled by employees who are not Arizona residents.

In order to claim the credit for qualified employment positions, each employee in a qualified employment position for which the credit is claimed must be a resident of Arizona. THE RESIDENCY REQUIREMENT APPLIES TO THE FIRST,

SECOND, AND THIRD YEAR CREDITS. Refer to Arizona Individual Income Tax Procedure ITP 92-1 for information on determining Arizona residency.

Lines 24 through 27 and Forms 304-1 and 304-2

Before completing lines 24 through 27, Part VII of Form 304, complete Forms 304-1 and 304-2.

Complete Form 304-1 listing each employee in the first year of employment.

Complete the Form 304-2 listing each employee in a qualified employment position for which a credit is being claimed. The maximum number of first year employees in qualified employment positions entered on Form 304-2 cannot exceed the maximum number of qualified employment positions entered on Part VI, line 22c. All employees listed on the Form 304-2 must be Arizona residents. Requirements for listing an employee in a qualified employment position for which the business is claiming the first year credit are:

- The employee was hired at least 90 days prior to the end of the taxable year; and
- Wages entered in column (e1) are wages paid to the employee for the period of time during which the position met all of the requirements for a qualified employment position, up to a maximum of \$2,000.

Line 24 - Column (a)

Enter the number of new employees in qualified employment positions from Form 304-2, line 13, column (c1).

NOTE: The maximum number of qualified employment positions entered on line 24, column (a), cannot exceed the number of qualified employment positions entered on Part VI, line 22c.

Line 24 - Column (b)

Enter the maximum allowable wages for all first year employees in qualified employment positions from Form 304-2, line 13, column (e1).

Line 24 - Column (d)

Multiply the amount entered on line 24, column (b), by the percent shown on line 24, column (c). Enter the result on line 24, column (d). This is the allowable credit for new qualified employment positions.

Line 25 - Column (a)

Enter the total number of employees in qualified employment positions in the second year of continuous employment from Form 304-2, line 13, column (c2).

Arizona's statutes do not require that the employee who is claimed in the second year of continuous employment be the same employee who was claimed in the first year of employment. Therefore, if one of the originally claimed new employees leaves employment in year two, the business can claim the second year credit for another employee in a qualified employment position who is in the second year of continuous employment.

Line 25 - Column (b)

Enter the maximum allowable wages for all employees in qualified employment positions in the second year of continuous employment, from Form 304-2, line 13, column (e2).

Line 25 - Column (d)

Multiply the amount shown on line 25, column (b), by the percent shown on line 25, column (c). Enter the result on line 25, column (d). This is the allowable credit for employees in qualified employment positions in their second year of continuous employment.

Line 26 - Column (a)

Enter the total number of employees in qualified employment positions in the third year of continuous employment from Form 304-2, line 13, column (c3).

Arizona's statutes do not require that the employee who is claimed in the third year of continuous employment be the same employee who was claimed in the second year of employment. Therefore, if one of the originally claimed new employees leaves employment in year three, the business can claim the third year credit for another employee in a qualified employment position who is in the third year of continuous employment.

Line 26 - Column (b)

Enter the maximum allowable wages for all employees in qualified employment positions in the third year of continuous employment from Form 304-2, line 13, column (e3).

Line 26 - Column (d)

Multiply the amount shown on line 26, column (b), by the percent shown on line 26, column (c). Enter the result on line 26, column (d). This is the allowable credit for employees in qualified employment positions in their third year of continuous employment.

Line 27 -

Add the numbers in column (a) on lines 24, 25, and 26. Enter the total in column (a) on line 27. The number shown on line 27, column (a), is the total number of employees in qualified employment positions for which the enterprise zone credit is being claimed.

Add the amounts in column (d) on lines 24, 25, and 26. Enter the total in column (d) on line 27. The amount shown on line 27, column (d), is the total allowable enterprise zone credit for qualified employment positions for the current taxable year.

Part VIII – S Corporation Credit Election and Shareholder's Share of Credit**Line 28 -**

This portion of the Form 304 must be completed by the S corporation in order for the S corporation or its shareholders to claim the enterprise zone credit for qualified employment positions. The S corporation must make an irrevocable election either to claim the credit itself 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 Form 120S.

Lines 29 through 31 -

If the S corporation elects to pass the credit through to its shareholders, it must also complete lines 29 through 31.

The S corporation must complete Form 304, Parts IV through VII. Then, complete Part VIII, lines 29 through 31, separately for each shareholder. The S corporation must furnish each shareholder with a copy of the completed Form 304.

Each shareholder must complete Parts X through XII.

Part IX – Partner's Share of Credit**Lines 32 through 34 -**

The partnership must complete Form 304, Parts IV through VII. Then, complete Part IX, lines 32 through 34, separately for each partner. The partnership must furnish each partner with a copy of the completed Form 304.

Each partner must complete Parts X through XII.

Part X - Available Credit Carryover

The business should complete Part X only if its allowable enterprise zone tax credit for qualified employment positions for prior taxable years exceeded its Arizona income tax liability for those taxable years. This credit applies only to taxable years beginning from and after December 31, 1995; consequently, there is no available carryover of this credit from taxable years beginning prior to January 1, 1996.

NOTE: *The business is allowed to carry forward the amount of the unused enterprise zone credit, for a period not to exceed five taxable years, provided the business remains in the enterprise zone. However, if the business relocates outside of the enterprise zone, the carryover of the tax credit is lost. A business located in an enterprise zone that is terminated may claim its credit carryover, if the business remains at the location that was formerly in an enterprise zone.*

Partners of a partnership or shareholders of an S corporation should complete Part X only if their allowable enterprise zone tax credit for prior taxable years exceeded their Arizona income tax liability for those taxable years. Since the enterprise zone credit for qualified employment positions applies only to taxable years beginning from and after December 31, 1995, there is no available carryover of this credit from taxable years beginning prior to January 1, 1996.

Line 35 -

Enter the applicable taxable year(s) in columns (a) through (e).

Line 36 -

In columns (a) through (e), enter the amount of the original tax credit earned for that taxable year.

Line 37 -

In columns (a) through (e), enter the amount of the tax credit for that taxable year which has been previously used.

Line 38 -

In columns (a) through (e), subtract the amount on line 37 from the amount on line 36. Enter the result in the applicable columns on line 38. This is the tentative carryover.

Line 39 -

In columns (a) through (e), enter the amount of the credit which is unallowable because the business is no longer located in the enterprise zone or is not at the location that formerly was in an enterprise zone.

Line 40 -

In columns (a) through (e), subtract the amount on line 39 from the amount on line 38. Enter the result in the applicable columns on line 40. This is the carryover available from prior taxable years.

Line 41 -

Add the amounts in columns (a) through (e) on line 40. Enter the total in column (f) on line 41. This is the total enterprise zone credit carryover for qualified employment positions available for the current taxable year.

In order for a partner of a partnership or a shareholder of an S corporation to be eligible for an enterprise zone credit carryover, the business must remain in the enterprise zone or at the location that was formerly in an enterprise zone. Therefore, a partnership or an S corporation that passed the credit through to its partners or shareholders must furnish each partner or shareholder with a statement indicating that the business is still located in the enterprise zone or is still at the location that was formerly in an enterprise zone.

Each partner or S corporation shareholder must complete Part X for the computation of the available carryover of the credit passed through by the partnership or S corporation.

Part XI - Total Available Credit for Qualified Employment Positions**Line 42 -**

Individuals and corporations (including S corporations that elected to claim the credit) – Enter the amount from Part VII, line 27, column (d).

S corporation shareholders – Enter the amount from Part VIII, line 31.

Partners of a partnership – Enter the amount from Part IX, line 34.

This is the current year's credit for qualified employment positions.

Note: If the business is claiming the enterprise zone credit for more than one business location, the business should attach a separate schedule which details the use of the credit by location. If the business is claiming an enterprise zone credit for qualified employment positions for more than one business location, enter the aggregate credit amounts on line 42.

NOTE FOR S CORPORATIONS: If the S corporation has elected to pass the enterprise zone credit for qualified employment positions through to its shareholders (refer to Part VIII), enter zero.

Line 43 -

Enter the amount from Part X, line 41, column (f). This is the total available credit carryover for qualified employment positions.

Note: If the business is claiming an enterprise zone credit carryover for more than one business location, the business should attach a separate schedule which details the use of the credit carryover by location. If the business is claiming an enterprise zone credit carryover for more than one business location, enter the aggregate credit carryover amounts on line 43.

Line 44 -

Add lines 42 and 43. This is the total available enterprise zone credit for qualified employment positions.

Part XII - Total Available Credit for Qualified Employees, Dislocated Workers, and Qualified Employment Positions**Line 45 -**

Enter the total available credit for qualified employees and dislocated workers from Part III, line 11.

Line 46 -

Enter the total available credit for qualified employment positions from Part XI, line 44.

Line 47 -

Add lines 45 and 46. This is the total available enterprise zone credit for qualified employees, dislocated workers, and qualified employment positions which may be applied to the current year's tax liability. Enter the total here and on Form 300, Part I, line 2, or on Form 301, Part I, line 2.