

2005 Nonrefundable Individual Tax Credits and Recapture

Arizona Form 301

Phone Numbers

If you have questions, please call one of the following numbers:

Phoenix	(602) 255-3381
From area codes 520 & 928 toll-free	(800) 352-4090
Form orders	(602) 542-4260
Recorded Tax Information	
Phoenix	(602) 542-1991
From area codes 520 & 928 toll-free	(800) 845-8192
Hearing impaired TDD user	
Phoenix	(602) 542-4021
From area codes 520 & 928 toll-free	(800) 397-0256

You may also visit our web site at:
www.azdor.gov

General Instructions

Individual taxpayers must use Form 301 to claim nonrefundable tax credits. 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.

Line-by-Line Instructions

Enter your name and social security number as shown on Arizona Form 140, 140PY, 140NR, or 140X.

All returns, statements, and other documents filed with the Department of Revenue require a taxpayer identification number (TIN). The TIN is either a correct social security number or, for a business, the federal identification number. 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 from prior taxable years. On lines 1 through 19, enter the available tax credit amount for each of the credits listed.

Line 1 - Defense Contracting Credit

Enter the amount from Form 302, Part VIII, line 32.

Line 2 - Enterprise Zone Credit

Enter the amount from Form 304, Part X, line 36.

Line 3 - Environmental Technology Facility Credit

Enter the amount from Form 305, Part V, line 29.

Line 4 - Military Reuse Zone Credit

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

Line 5 - Recycling Equipment Credit

Enter the amount from Form 307, Part I, line 16.

Line 6 - Credit for Increased Research Activities

Enter the amount from Form 308-I, Part V, line 26.

Line 7 - Credit for Taxes Paid to Another State or Country

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

Line 8 - Credit for Solar Energy Devices

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

Line 9 - Agricultural Water Conservation System Credit

Enter the amount from Form 312, Part V, line 19.

Line 10 - Pollution Control Credit

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

Line 11 - 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 12 - Credit for Employment of TANF Recipients

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

Line 13 - Credit for Contributions to Charities That Provide Assistance to the Working Poor

Enter the amount from Form 321, Part III, line 16.

Line 14 - Credit for Contributions Made or Fees Paid to Public Schools

Enter the amount from Form 322, line 12.

Line 15 - Credit for Contributions to School Tuition Organizations

Enter the amount from Form 323, line 12.

Line 16 - Agricultural Pollution Control Equipment Credit

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

Line 17 - Neighborhood Electric Vehicle (NEV) Credit

Enter the amount from Form 328, Part I, line 3.

Line 18 - Credit for Donation of School Site

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

Line 19 - Credit for Healthy Forest Enterprises

Enter the amount from Form 332, Part VII, line 22.

Line 20 - Total Available Tax Credits

Add lines 1 through 19. Enter the total. This is the total

amount of all nonrefundable tax credits, except the family income tax credit and the Clean Elections Fund 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 21 -

Enter the amount of tax from Form 140, line 20, or Form 140PY, line 23, or Form 140NR, line 23, or Form 140X, line 26.

Line 22 -

Enter the amount of Clean Elections Fund tax reduction from Form 140, line 24, or Form 140PY, line 27, or Form 140NR, line 27, or Form 140X, line 29.

Line 23 -

Subtract line 22 from line 21. Enter the result.

Line 24 -

Enter the amount of tax due from recapture of the environmental technology facility credit on Form 305, Part VI, line 34.

Line 25 -

Enter the amount of tax due from recapture of the neighborhood electric vehicle (NEV) credit on Form 328, Part VI line 21.

Line 26 -

Add lines 24 and 25. Enter the total here and on Form 140, line 21, or Form 140PY, line 24, or Form 140NR, line 24, or Form 140X, line 27.

Line 27 -

Add lines 23 and 26 and enter the total here.

Line 28 -

If you claimed a family income tax credit, enter the amount of family income tax credit claimed from Form 140, line 26, or Form 140PY, line 29, or Form 140X, line 31.

Line 29 -

Subtract line 28 from line 27. Enter the result.

Nonrefundable Tax Credits Claimed: The total amount of tax credits you claim cannot exceed the amount entered on line 29. 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 30 - Defense Contracting Credit

There are two tax credits for qualified defense contractors. You may carry the unused portion of both tax credits forward regardless of continuing certification as a qualified

defense contractor. See Form 302 for details. Enter the amount claimed.

Line 31 - Enterprise Zone Credit

You may carry the unused portion of this tax credit forward for five succeeding taxable years, provided the business remains in the enterprise zone. You lose the carryover if the business relocates outside of the enterprise zone. You may also lose the carryover if the enterprise zone is terminated. See Form 304 for details. Enter the amount claimed.

Line 32 - Environmental Technology Facility Credit

You may carry the unused portion of this tax credit forward for fifteen succeeding taxable years.

The portion of the available credit amount from Part I, line 3, that you may claim is limited to 75 percent of the amount of tax entered on line 27. Enter the amount claimed.

Line 33 - Military Reuse Zone Credit

You may carry the unused portion of this tax credit forward for five 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. Enter the amount claimed.

Line 34 - 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 27 or \$5,000. Enter the amount claimed.

Line 35 - Credit for Increased Research activities

The unused portion of this tax credit may be carried forward for fifteen succeeding taxable years.

Line 36 - Credit for Taxes Paid to Another State or Country

There is no carryforward of the unused portion of this tax credit. Enter the amount claimed.

Line 37 - Credit for Solar Energy Devices

You may carry the unused portion of this credit forward for five succeeding taxable years. Enter the amount claimed.

Line 38 - Agricultural Water Conservation System Credit

You may carry the unused portion of this tax credit forward for five succeeding taxable years. Enter the amount claimed.

Line 39 - Pollution Control Credit

You may carry the unused portion of this credit forward for five succeeding taxable years. Enter the amount claimed.

Line 40 - 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 five succeeding taxable years. Enter the amount claimed.

Line 41 - Credit For Employment of TANF Recipients

You may carry the unused portion of this tax credit forward for five succeeding taxable years. Enter the amount claimed.

Line 42 - Credit for Contributions to Charities That Provide Assistance to the Working Poor

You may carry the unused portion of this tax credit forward for five succeeding taxable years. Enter the amount claimed.

Line 43 - Credit for Contributions Made or Fees Paid to Public Schools

You may carry the unused portion of this tax credit forward for five succeeding taxable years. Enter the amount claimed.

Line 44 - Credit for Contributions to School Tuition Organizations

You may carry the unused portion of this tax credit forward for five succeeding taxable years. Enter the amount claimed.

Line 45 - Agricultural Pollution Control Equipment Credit

You may carry the unused portion of this tax credit forward for five succeeding taxable years. Enter the amount claimed.

Line 46 - Neighborhood Electric Vehicle (NEV) Credit

If you have a carryover of a NEV credit from taxable years 2000, or 2001, enter the amount claimed.

Line 47 - Credit for Donation of School Site

You may carry the unused portion of this tax credit forward for five succeeding taxable years. Enter the amount claimed.

Line 48 - Credit for Healthy Forest Enterprises

You may carry the unused portion of this tax credit forward for five succeeding taxable years. Enter the amount claimed.

Line 49 - Total Tax Credits Claimed

Add lines 30 through 48 and enter the total here. This amount cannot exceed the amount entered on line 29. Enter the amount from this line on Form 140, line 27, or Form 140PY, line 30, or Form 140NR, line 29, or Form 140X, line 32.

Credit Carryover Worksheet

To figure how much of a credit carryover that you will have for next year, complete the following carryover worksheet. Keep the worksheet with your records and use the information to complete your 2006 return that you will file in 2007.

Credit Carryover Worksheet						
Keep this worksheet with your records. Use this information to complete your 2006 credit forms that you will file in 2007.						
	(a) Credit Type	(b) Carryover?		(c) 2005 Credit	(d) Credit used for 2005	(e) Carryover to 2006
	On lines 1 through 4 below, enter the types of credits available to you for 2005.	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 2005. Take these amounts from Form 301, lines 1 through 19.	On lines 1 through 4 below, enter the amount of each credit used for 2005. Take these amounts from Form 301, lines 30 through 48.	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 2006, providing the credit carryover may be carried to 2006. Use this figure when completing the appropriate 2006 credit form.
		YES	NO			
1.						
2.						
3.						
4.						