

## IMPLEMENTATION OF THE CORPORATE INCOME TAX TUITION CREDIT

1. Corporations contact the School Tuition Organization (STO) to which they wish to donate. The corporation tells the STO the amount of the donation they will make. The STO must then fill out an Approval form, created by the Arizona Department of Revenue (ADOR).
2. All requests from an STO for approval shall be for one corporation per request.
3. All requests from an STO for approval shall be by email. The date and time on the email shall dictate the order in which the requests are considered. No other form of request for approval, such as hand delivery or regular delivery mail, will be accepted by ADOR.
4. All requests shall be logged in by the date and time noted by receipt of email and shall be applied against the cap in this order. The cap for Fiscal Year 2014 is \$35.831808 million.
5. To email application requests for approval, select the "email form" button on the bottom right side of the application.
6. ADOR shall respond to the request for approval within twenty days of receiving the request. The request shall be approved if there is credit available under the **\$35.831808 million** cap. ADOR approval of an STO request does not constitute ADOR verification that the contribution meets all of the statutory requirements for a credit under A.R.S. § 43-1183.
7. ADOR will respond to the STO, either approving or denying the application, by email. Please provide an email address on the application. Approval or denial will be noted on the approval application, along with an indication as to when the 20-day period ends that is allowed for receipt of a check from the corporation. The STO should notify the donor corporation on the same day ADOR notifies the STO.
8. In the event a request is received for an amount that is greater than the remaining amount under the cap, ADOR shall approve only that amount that is remaining. For example, if \$500,000 is left under the cap and a request is received for \$750,000, ADOR shall approve only \$500,000. Any requests received after this point shall be denied.
9. A.R.S. § 43-1183 D. states that if a taxpayer fails to make the donation to the STO within twenty days after being notified by the STO, the STO must immediately notify ADOR. If the donation is not made within the twenty day period, the taxpayer is no longer approved for the donation. Please notify ADOR by telephone upon receipt of the donation or upon expiration of the 20-day period with no donation made. Notification to ADOR of failure to make a donation must occur no later than the twentieth day after the STO notifies the taxpayer of approval. (If the twentieth day falls on a weekend or holiday, the STO should call on the next business day.) Notification should occur by telephone. The STO must call Georganna Meyer at 602-716-6927.
10. Although requests after the cap has been reached will be denied by ADOR, ADOR will continue to log in requests in the order received. In the event ADOR is notified by an STO that a corporation did not make an approved donation, ADOR shall approve those requests that were previously denied, in the order received, until the cap is again reached. The cap will revert to the new amount each year on July 1.