ARIZONA FORM
302

Defense Contracting Credits

2000

For taxable year beginning MM / DD / YYYY, and ending MM / DD / YYYY.

Attach to your return

Name(s) as shown on Form 140, 140PY, 140NR, 140X, 120, 120A, 120S, 120X or 165	Your social security number or federal employer ID number

1 Has the business been certified as a qualified defense contractor by the Arizona Department of Commerce? Yes ☐ No ☐
If the answer to this question is no, the business is not eligible for the defense contracting credits.

Part I Net Increase in Defense Employment Positions

2 Average employment during the current taxable year under United States Department of Defense contracts **2**
3 Employment baseline **3**
4 Net increase in defense employment positions - *subtract line 3 from line 2* **4**

Part II Net Increase in Qualified Private Commercial Employment Positions

5 Net increase in private commercial employment positions **5**
6 Number of new qualified private commercial employment positions. *See instructions* **6**
7 Net increase in qualified private commercial employment positions. *Enter the lesser of line 5 or line 6* **7**

Part III Credit Calculation for Qualified Employment Positions

		(**a**) Number of qualified defense positions	(**b**) Number of qualified commercial positions	(**c**) Credit per qualified employment position	(**d**) Allowable credit
8	Qualified net new employment positions			$2,500	$
9	Qualified employment positions in the second year of existence			$2,000	$
10	Qualified employment positions in the third year of existence			$1,500	$
11	Qualified employment positions in the fourth year of existence			$1,000	$
12	Qualified employment positions in the fifth year of existence			$500	$
13	Total				$

Part IV Credit Calculation for Property Taxes Paid on Class One Property

14 Amount paid as taxes on property in Arizona classified as class one pursuant to ARS § 42-12001 .... **14**
15 Percent based on net new defense employment positions. *See instructions* .... **15** •
16 *Multiply line 14 by line 15* **16**
17 Percent based on defense contract income divided by total gross income. *See instructions* .... **17** •
18 Allowable credit for property taxes. *Multiply line 16 by line 17* **18**

Part V   S Corporation Credit Election and Shareholder's Share of Credit

19   The S corporation has made an irrevocable election for the taxable year ending __MM_/__DD_/_YYYY_, to: **(CHECK ONLY ONE BOX)**

☐   Claim the defense contracting credits as shown on Part III, line 13, column (d) and Part IV, line 18 (for the taxable year mentioned above);

OR

☐   Pass the defense contracting credits as shown on Part III, line 13, column (d) and Part IV, line 18 through to its shareholders (for the taxable year mentioned above).

Signature	Title	Date

If passing the credit through to the shareholder, complete lines 20 through 23 separately for each shareholder.
Furnish each shareholder with a copy of the completed Form 302.

20   Name of shareholder

21   Shareholder's TIN

22   Shareholder's share of the amount on Part III, line 13, column (d).

23   Shareholder's share of the amount on Part IV, line 18.

Part VI   Partner's Share of Credit

Complete lines 24 through 27 separately for each partner. Furnish each partner with a copy of the completed Form 302.

24   Name of partner

25   Partner's TIN

26   Partner's share of the amount on Part III, line 13, column (d).

27   Partner's share of the amount on Part IV, line 18.

Part VII   Corporations and S Corporations Only. Available Credit Carryover From Taxable Years Beginning January 1, 1995, or Later (See instructions).

(a) Original credit amount	(b) Amount previously used	(c) Available carryover - subtract column (b) from column (a)
28		

Part VIII   Individuals Only. Available Credit Carryover

	(a) Carryover credit from taxable year ending	(b) Original credit amount	(c) Amount previously used	(d) Available carryover - subtract column (c) from column (b)
29				
30				
31				
32				
33				
34	Total available carryover			

Part IX   Total Available Credit

35   Current year's credit for qualified employment positions. Individuals, corporations, or S corporations - *enter amount from Part III, line 13, column (d).* S corporation shareholders - *enter amount from Part V, line 22.* Partners of a partnership - *enter amount from Part VI, line 26* .... | 35 |

36   Current year's credit for property taxes paid on class one property. Individuals, corporations, or S corporations - *enter amount from Part IV, line 18.* S corporation shareholders - *enter amount from Part V, line 23.* Partners of a partnership - *enter amount from Part VI, line 27* .... | 36 |

37   Available credit carryover. Corporations and S corporations - *enter amount from Part VII, line 28, column (c).* Individuals - *enter amount from Part VIII, line 34, column (d)* .... | 37 |

38   Total available credit - *add lines 35, 36 and 37. Enter total here and on Form 300, Part I, line 1 or Form 301, Part I, line 1* .... | 38 |