

2016 Individual Amended Income Tax Return

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 website 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 website and click on *Legal Research* then click on *Procedures* or *Rulings* and select a tax type from the drop down menu.

Publications

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

Who Should Use Form 140X?

Use the 2016 Arizona Form 140X to correct an individual income tax return (Arizona Form 140, 140A, 140EZ, 140PY, or 140NR) **for taxable year 2016, only**.

If you are amending a return for any other tax year, you should use the amended return (Form 140X) that is available for that specific tax year. For example, if you are amending your return for tax year 2014, use the 2014 Arizona Form 140X.

The department will compute the interest and either include it in your refund or bill you for the amount due.

Form 140X will be your new tax return. This return will change your original return to include the new information. The entries you make on Form 140X are the entries you would have made on your original return had it been done correctly.

NOTE: Do not use Form 140X to change an earlier filed Arizona Form 140PTC. To change an earlier filed Form 140PTC, use the Form 140PTC for the year you are changing.

Do not use Form 140X to change an earlier filed Arizona Form 140ET. To change an earlier filed Form 140ET, use the Form 140ET for the year you are changing.

You cannot amend an estimated income tax payment penalty when you reduce your tax on an amended return, unless you file your amended return after filing your original return, and before the due date of that original return.

For more information on this topic, see the department's ruling, ITR 02-4, *Amended Return's Effect on the Estimated Tax Payment Underpayment Penalty*, at www.azdor.gov.

What Will I Need To Complete Form 140X?

To complete Form 140X, you will need the following:

- A copy of the 2016 tax return you are amending, including supporting forms, schedules and worksheets.
- Any notices you received from the Internal Revenue Service (IRS) or the department for the tax year you are amending.

- Instructions for the return you are amending. If you have any questions about income items, deductions, or exemptions, you should refer to the 2016 instructions for your original return. If you do not have the instructions for the form you are amending, you can find them online at our website.
- If you are filing an amended return for a previously filed Composite Nonresident Income Tax Return, see the instructions for Form 140NR and the department's ruling, ITR 16-2, *Composite Individual Income Tax Returns*, for guidance on how to report income items, deductions, and exemptions.

Allow 8 to 12 weeks for your Form 140X to process.

When Should I File an Amended Return?

You can file Form 140X only after filing an original return.

You should file your amended return *after* your original return has processed. If you are filing Form 140X for a refund, you must generally file within four years from the date you filed the original return.

If you amend your federal return for 2016, you must also file an Arizona Form 140X for 2016.

If the IRS makes a change to your federal taxable income for 2016, you must report that change to Arizona. You must file the Form 140X within 90 days of the final determination of the IRS. You may use one of the following two options to report this change.

Option 1

You may file a Form 140X. If you choose this option, you must amend your Arizona return within 90 days of the final determination of the IRS. Include a complete copy of the federal notice with your Form 140X.

Option 2

You may file a copy of the final federal notice with the department within 90 days of the final determination of the IRS. If you choose this option, you must include a statement in which you must:

1. request that the department recompute your tax, *and*
2. indicate if you agree or disagree with the federal notice.

If you do not agree with the federal notice, you must also include any documents that show why you do not agree.

If you choose option 2, mail the federal notice and any other documents to:

Attention: Individual Income Audit
Arizona Department of Revenue
PO Box 29084
Phoenix, AZ 85038-9084

When Should I Pay any Tax Owed?

Payment is due in full at the time you file your amended return. If paying by check, please make your check payable to Arizona Department of Revenue. Be sure to enter your SSN and tax year on the front of your check. To make an electronic payment, visit www.AZTaxes.gov.

What if a Taxpayer Died?

If you are a surviving spouse amending a joint return, enter the word "Deceased" after the decedent's name. Also enter the date of death after the decedent's name. Sign your name. Enter "Filing as Surviving Spouse" in the area for the deceased spouse's signature. (If someone else serves as personal representative for your spouse's estate, he or she must also sign the return.)

If a refund is due, complete Arizona Form 131, *Claim for Refund on Behalf of Deceased Taxpayer*. Include this form on top of your amended return.

Penalties

We will impose a late payment penalty on your amended return if **all** of the following apply:

- you file your amended return after the due date of your original return,
- there is tax due on your amended return, and
- you do not pay that tax when you file the amended return.

Even if you do pay the tax due when you file your amended return, we may impose a late payment penalty if any of the following apply:

- you are under audit by the department,
- the department has requested or demanded that you file an amended income tax return, or
- the total additional tax you owe is a substantial underpayment. You have a substantial underpayment if the amount due is at least 10% of the actual tax liability for the tax year or \$2,000.

We will also impose a late filing penalty if you did not file your original return on time. These penalties apply to taxes due and remaining unpaid after the due date of the original return. Combined late filing and late payment penalties can go up to 25% of the unpaid tax.

Interest

We charge interest on any tax not paid by the due date even if you have an extension. We charge interest from the original due date to the date of payment. The Arizona rate of interest is the same as the federal rate. Contact one of the phone numbers listed on page 1 for the current interest rate.

General Instructions

NOTE: You must round dollar amounts to the nearest whole dollar. If 50 cents or more, round up to the next dollar. If less than 50 cents, round down.

The line numbers on the Arizona Form 140X do not match the line numbers on Arizona's individual income tax forms. The proper line on which to enter your change(s) will depend on the nature of the change.

To decide where to enter your changes, use the line descriptions from your original return. To help you, we have included some examples, starting on page 10 of

these instructions. If you still need some help, call one of the numbers listed on page 1.

For specific information about tax rates, additions, subtractions, exemptions or deductions, see the form instructions for the year you are amending.

Tax Year

File this form to amend only a 2016 tax return. If you are amending a return for a fiscal year, enter the beginning and ending dates of the fiscal tax year.

Entering Your Name, Address, and Social Security Number (SSN)

Enter your name, SSN, and current address. If you are filing a joint amended return, enter your SSNs in the same order as your first names and in the same order as shown on your original return. *If your name appears first on the return, make sure your SSN is the first number listed.*

If you are changing your filing status from married filing separate to married filing joint and your spouse did not file an original return, enter your name and SSN first.

If you are changing your filing status from married filing separate to married filing joint, you must include your spouse's name and SSN on the second line 1.

Make sure that you put your SSN on every return, statement, or document that you file with the department. Make sure that all SSNs are clear and correct.

You may be subject to a penalty if you fail to include your SSN. It may take longer to process your return if SSNs are missing, incorrect, or unclear.

Foreign Addresses

If you have a foreign address, enter the information in the following order: city, province or state, and country. Follow the country's practice for entering the postal code. Do not abbreviate the country name.

Last Names Used in Prior Years

If the last name that you or your spouse are using on this return is not the same as the last name you or your spouse used on returns filed for the last 4 years, enter any other last name(s) that you or your spouse used when filing your return during the last 4 years.

ID Numbers for Paid Preparers

If you pay someone to prepare your return, that person must also include an ID number where requested.

A paid preparer may use any of the following:

- his or her PTIN;
- his or her SSN; or
- the EIN for the business.

A paid preparer who fails to include the proper numbers may also be subject to a penalty.

Filing Status

If you qualify as married for federal purposes, you qualify as married for Arizona purposes and must file using the status of either married filing joint or married filing separate.

If you are single you must file as single or if qualified you may file as head of household (see the instructions for the original form you are amending).

Check the box for the filing status you are using on this amended return.

Changing from a joint return to a separate return

If you have an amount due from the joint return that you want to amend, you must pay that amount before you can change your filing status to married filing separate. If we have issued a proposed assessment for that joint return, you must also pay that amount before you can change your filing status.

Changing from a separate return to a joint return

If you or your spouse have an amount due from a separate return that you want to amend, you must pay that amount before you can change your filing status to married filing joint. If we have issued a proposed assessment for either separate return, you must also pay that amount before you can change your filing status.

If you and your spouse are changing from separate returns to a joint return, begin by combining the amounts from your return as originally filed or as previously adjusted (either by you or the department) and the amounts from your spouse’s return as originally filed or adjusted. Then make your changes to the combined amounts.

If your spouse did not file an original return, include your spouse’s income, deductions, credits, etc., to determine the amounts to enter on the appropriate lines of this form.

Generally, if you file a joint return, both you and your spouse have joint and several liability. This means both of you are responsible for the tax and any interest or penalties due on the return, as well as any amount that may become due later. If one spouse does not pay the tax due, the other may have to.

If filing an amended joint tax return, both of you must sign and date Form 140X.

Residency Status

Check the box for the residency status you are using on this amended return.

Check box 9b, if this is an amended composite return to be filed by one of the following:

1. A partnership filing on behalf of its nonresident partners.
2. An S corporation filing on behalf of its nonresident shareholders.

For information on filing an Arizona nonresident composite income tax return, see the department’s ruling, ITR 16-2, *Composite Individual Income Tax Returns*.

If you are filing this amended return as a:	Check Box	See the following form instructions for the return you are amending:
Full year resident	8	Form 140
Nonresident	9a	Form 140NR
Composite Nonresident	9b	Form 140NR
Nonresident Active Military	10	Form 140NR
Part-Year Resident	11	Form 140PY
Part-Year Resident Active Military	12	Form 140PY

Exemptions

Enter the number of exemptions you are claiming in boxes 13, 14, 15, and 16. **Do not put a checkmark.**

Include the exemption amounts with your *subtractions from income reported on line 21.* For exemption amounts, see the instructions for the form you are amending.

Box 13 -

In box 13, enter the number of age 65 or over exemptions you are claiming on this amended return.

Box 14 -

In box 14, enter the number of blind exemptions you are claiming on this amended return.

Box 15 -

In box 15, enter the total **number** of dependent exemptions you are claiming on this amended return.

You **must** also complete Part 1 on page 2, of Form 140X. Enter the information for **each** dependent claimed in box 15. If you need additional space, complete page 3, Dependent Information – Continuation Sheet and include it with the return.

NOTE: *Do not include yourself or your spouse as dependents in box 15.*

Box 16 - Arizona Residents Only

In box 16, enter the total **number** of qualifying parent or grandparent exemptions you are claiming on this amended return.

You **must** also complete Part 1 on page 2, of Form 140X. Enter the information for **each** qualifying parent/grandparent claimed in box 16. If you need additional space, complete page 3, Dependent Information – Continuation Sheet and include it with the return

To see who is a qualifying parent or grandparent, see the instructions for the form you are amending.

Line-by-Line Instructions

Line 17 - Federal Adjusted Gross Income

Enter your correct federal adjusted gross income.

NOTE: *If you were a nonresident or a part-year resident for the year you are amending, you must enter your federal adjusted gross income on line 17, then enter your Arizona gross income on line 18.*

Line 18 - Arizona Gross Income - Nonresidents and Part-Year Residents Only

Skip line 18 if you were a full year resident for the year you are amending (you checked box 8).

Complete line 18 if you were a nonresident or a part-year resident for the year you are amending (you checked box 9a, 10, 11 or 12).

If required to complete line 18, enter your corrected Arizona gross income. For information about how to figure your Arizona gross income, see Form 140PY or Form 140NR.

Line 18a - Arizona Income Ratio

If you completed line 18, divide the amount on line 18 by the amount on line 17. Enter the ratio in decimal format. You must **round** your answer to **three** decimal places. Do not enter more than 1.000.

If you were a nonresident or a part-year resident during the taxable year you are amending, you will use this ratio to prorate exemption amounts and the standard deduction amount, when required.

Line 19 - Additions to Income

NOTE: *For a list of items that must be added to income, see the 2016 instructions for the form you are amending.*

Form 140X, line 19, *Additions to Income*, is the sum of multiple addition lines that are listed as separate addition line items on the original Arizona personal income tax return.

On line 19, enter all additions to income from lines shown for the form you are amending. If you have no additions to income, enter zero. On your 2016 original return, you may have reported these amounts on the following lines.

Form	Additions to Income
140	13, 14, 15 and/or 16
140A	None
140EZ	None
140NR	28, 29 and/or 30
140PY	29 and/or 30

Arizona Form 165PA K-1 or 165PA K-1(NR) Positive Adjustment

If you received an Arizona Form 165PA K-1 or 165PA K-1(NR), include the positive adjustment amount reported on Form 165PA K-1, line 3; or 165PA K-1(NR), line 5, with the total amount of additions reported on line 19.

Line 20 - Subtotal Full Year Residents

If you were a full year resident for 2016 (you checked box 8), add line 17 and line 19. Enter the total.

Nonresidents and Part-Year Residents

If you were a nonresident or a part-year resident for 2016 (you checked box 9a, 10, 11 or 12), add line 18 and line 19. Enter the total. If you checked box 9b, see the department's ruling, ITR 16-2, *Composite Individual Income Tax Returns*.

Line 21 - Subtractions from Income

NOTE: *You may only subtract those items for which statutory authority exists. Without such authority you cannot take a subtraction. For a list of items that may be subtracted from income, see the instructions for the form you are amending.*

Form 140X, line 21, *Subtractions From Income*, is the sum of multiple subtraction and exemption lines that are listed as separate subtraction and exemption lines on the original Arizona personal income tax return. On line 21, enter all subtractions from income from lines shown for the form you are amending and exemption amounts for age 65 or over, blind, dependents, and qualifying parents or grandparents. **Do not include a minus sign or use parentheses.** If you have no subtractions from income, enter zero. On your original return, you may have reported these amounts on the following lines.

Form	Subtractions from Income	Exemptions: 65 or over, blind, dependents, or qualifying parents/grandparents
140	24 through 33, and 35	38 through 41
140A	None	13 through 16
140EZ	None	None
140NR	38, 39, 40, 43, 44, 45, and 46	47 through 51
140PY	40, and 42 through 46	48 through 53

Arizona Form 165PA K-1 or 165PA K-1(NR) Negative Adjustment

If you received an Arizona Form 165PA K-1 or 165PA K-1(NR), include the negative adjustment amount reported on Form 165PA K-1, line 3; or 165PA K-1(NR), line 5, with the total amount of subtractions reported on line 21.

NOTE: *Do not include items separately listed on Form 140X, lines 22 through 29, in the amount on line 21.*

Lines 22 through 26 - Net Capital Gain or (Loss)

NOTE: *If you enter an amount on line 22, you must complete lines 23 through 26. If you are taking a subtraction for any net long-term capital gain from assets acquired after December 31, 2011, you must also complete lines 25 and 26. If you do not complete lines 25 through 26, you cannot take the subtraction.*

You may subtract 25% (.25) of any net long-term capital gain included in your federal adjusted gross income that is derived from an investment in an asset acquired after December 31, 2011. Use the worksheet, *Worksheet for Net Long-Term Capital Gain Subtraction for Assets Acquired after*

December 31, 2011, included in the instructions for Form 140, or Form 140NR or Form 140PY, to determine the allowable subtraction. Keep the worksheet for your records.

NOTE: *If you are changing an amount previously reported for any amount reported on lines 22 through 26, complete page 2, Part 2, section (B) with the corrected amounts.*

Line 22 - Total Net Capital Gain or (Loss)

If you reported a net capital gain or (loss) on your federal income tax return, enter the total net capital gain or (loss) reported on the *Capital Gain or (Loss)* line on page 1 of your federal return. This amount should be reported in your federal adjusted gross income.

Line 23 - Total Net Short-Term Capital Gain or (Loss)

Enter the total amount of net short-term capital gain or (loss) reported on the *Capital Gain or (Loss)* line on page 1 of your federal return. This amount should be reported in your federal adjusted gross income.

NOTE: *If you are not required to report dividend distributions and/or short-term capital gains from mutual funds on federal Form Schedule D, do not include the short-term capital gain distributed by the mutual fund on line 23.*

Line 24 - Total Net Long-Term Capital Gain or (Loss)

Enter the amount from the worksheet, line 14, column (a).

Line 25 - Net Long-Term Capital Gain from Assets Acquired After December 31, 2011

Enter the amount from the worksheet, line 14, column (c).

Only include net long-term capital gains on this line if it can be verified that the asset was acquired after December 31, 2011. For purposes of this line, an asset acquired by gift or inheritance is considered acquired on the date it was acquired by the gift-giver or the deceased individual.

Line 26 - Net Long-Term Capital Gain Subtraction From Income for Assets Acquired After December 31, 2011.

Multiply the amount on line 25 by 25% and enter the result.

Line 27 - Net Capital Gain from Investment in a Qualified Small Business

You may subtract the amount of any net capital gain included in federal adjusted gross income for the taxable year derived from investment in a qualified small business as determined by the Arizona Commerce Authority (ACA) pursuant to A.R.S. § 41-1518.

To qualify for this subtraction, your investment in the qualified small business must have been made *after* the ACA certified the company as a qualified small business and *before* the company's certification expiration date. An investment made prior to certification or after the expiration of certification does not qualify for this subtraction. See the ACA's website, *Small Business Incentives: Angel Investment*, for a list of certified businesses and their certification dates.

On line 27, enter the amount of the allowable subtraction.

CAUTION: *If the amount entered on line 27 includes any long-term capital gain from an investment made **after** December 31, 2011, you cannot include that portion of the net capital gain in your computation of the allowable subtraction for any net long-term capital gain from assets acquired after December 31, 2011 and included in federal adjusted gross income.*

For more information, see the instructions included with Form 140, or Form 140NR, or Form 140PY, for the amount to enter on line 13, column (c), of the net long-term capital gain worksheet.

Line 28 - Reserved

Do not enter an amount on line 28.

Line 29 - Contributions to 529 College Savings Plans

Enter the amount of allowable subtraction for contributions made during 2016 to 529 College Plans. To determine the amount of the allowable subtraction, see the instructions for the form you are amending.

Line 30 - Arizona Adjusted Gross Income

Subtract lines 21, and 26 through 29 from line 20. Enter the difference.

Line 31 - Deductions

Standard Deduction

If you are taking the standard deduction on this amended return check box **31S**.

Enter your standard deduction on line 31.

For standard deduction amounts see the instructions for the form you are amending. If you originally filed Arizona Form 140EZ, see the 2016 Arizona Form 140 instructions for the 2016 standard deduction amounts.

NOTE: *Nonresident individuals, who claim the standard deduction, must prorate the deduction by the percentage which the taxpayer's Arizona gross income is of the taxpayer's federal adjusted gross income.*

This will in effect prorate the standard deduction between income taxable to Arizona and income not taxable to Arizona. Only that portion of the deduction allocable to income taxable to Arizona is allowed. To figure the correct amount of standard deduction, see the 2016 Form 140NR instructions.

Itemized Deductions

If you are claiming itemized deductions on this amended return, check box **31I**.

Enter your itemized deductions on line 31.

If you are changing itemized deduction amounts, be sure to include a copy of the corrected Arizona Schedule A. Also include a copy of your corrected federal Schedule A.

For allowable itemized deductions, see the 2016 instructions for the form you are amending.

Line 32 - Personal Exemptions

NOTE: Do not enter amounts for dependent, blind, age 65 or over, or qualifying parent or grandparent exemptions. You must enter these amounts on line 21, Subtractions from income.

Enter the correct amount of personal exemption you are claiming on this amended return. You can find the personal exemption amounts in the instructions for the form you are amending. If you originally filed Arizona Form 140EZ, see the 2016 Arizona Form 140 instructions for the 2016 personal exemption amounts.

Line 33 - Arizona Taxable Income

Subtract lines 31 and 32 from line 30. Enter the difference.

Line 34 - Tax

Compute your tax. Use the proper tax table. Enter the correct tax on line 34. You can find the 2016 tax tables in the instructions for the form you are amending. You can view the instructions on our website at www.azdor.gov.

Line 35 - Tax From Recapture of Credits (AZ Form 301)

Enter the amount of recapture tax from Arizona Form 301, Part 2, line 40. If you do not have a tax from recapture of tax credits, enter zero.

Include a copy of your corrected Form 301 with your amended return.

Line 36 - Subtotal of Tax

Add lines 34 and 35. Enter the total.

Line 37 - Family Income Tax Credit (Arizona Residents Only)

If you are eligible for the credit, enter the amount of family income tax credit you are claiming on this amended return. For details about the family income tax credit, see the 2016 instructions for the form you are amending.

Line 38 - Nonrefundable Credits From Form 301

Enter your credits from Arizona Form 301, Part 2, line 76 that you are claiming on this amended return.

You **must** complete and include Form 301 along with the required supporting documents with your amended return.

Line 39 - Balance of Income Tax

Subtract lines 37 and 38 from line 36. Enter the difference. If less than zero, enter zero.

Line 40 (Boxes a, b and c) – Withholding, Estimated, and Extension Payments (and Arizona Claim of Right)

Box 40a: Enter the **total amount** of Arizona income tax withheld, estimated income tax payments, and payments made with an extension request reported on your original (or most recent amended) return for 2016.

You may use the following worksheet to help you figure the amount of these payments that you should enter on line 36.

Payment Worksheet		
Withholding, Estimated, Extension	Date of Payment	Amount
1. Estimated Payment 1		
2. Estimated Payment 2		
3. Estimated Payment 3		
4. Estimated Payment 4		
5. Extension Request Payment		
6. Arizona income tax withheld on Form(s) W-2 and Form(s) 1099.		
7. Add lines 1 through 6. Enter the total here and also on Form 140X, box 40a.		.00

NOTE: Do not include payments sent with original return on line 40a. You should enter those amounts on line 44.

Box 40b: Enter the amount from your *Arizona Claim of Right* form, line 8.

If you completed more than one Claim of Right form for the current taxable year, add all amounts on line 8 and enter the total in box 40b.

NOTE: For more information on Arizona's claim of right provisions, see the department's procedure, ITP 16-1, *Procedure for Individuals Who Restore Substantial Amounts Held Under a Claim of Right*.

Line 40c: Add the amounts in box 40a and box 40b and enter the total on line 40c.

Line 41 - Increased Excise Tax Credit (Arizona Residents Only)

If you qualify to take the increased excise tax credit, enter the correct amount of credit you are claiming on line 41.

If this is the first time you are claiming this credit for 2016, use the worksheet from the 2016 Arizona Form 140, 140A, 140EZ, or 140PY instructions to figure your credit.

NOTE: If you are amending an increased excise tax credit claimed on Arizona Form 140ET, use the 2016 Form 140ET to amend that claim. In this case, do **not** use Form 140X.

Line 42 - Property Tax Credit (Arizona Residents Only)

If you claimed the property tax credit on your original return, enter the amount claimed on your original return.

If you are making an adjustment to the credit, be sure to include copies of your 2016 Form 140PTC, *Property Tax Refund (Credit) Claim*, or Form 201, *Renters Certificate of Property Taxes Paid*. Also include all supporting documents filed with the original return.

NOTE: Use Form 140X to adjust a previously filed credit only if you claimed the credit using Form 140 or Form 140A. Use Form 140PTC if you were not required to file an Arizona income tax return for 2016.

If you did not claim a credit on your original return, you may not claim it on Form 140X, unless you file Form 140X by the due date of your original return.

Line 43 - Other Refundable Credits

- If you claimed a refund of the increased research activities credit from Form 308-I, for 2016, enter that credit here.
- If you claimed a refund of the renewable energy industry credit from Form 342, for 2016, enter that credit here.
- If you claimed a refund of the qualified facilities credit from Form 349, for 2016, enter that credit here.

Enter the correct amount(s) you are claiming on this amended return.

If you are claiming refundable credits from more than one form, add the amounts from all forms together and enter the total here.

If you enter an amount on this line, be sure you check the box or boxes to show which credits you are claiming.

Also, be sure to include the credit form(s) with your return when you file.

Line 44 - Payment With Original Return (Plus All Additional Payments After it Was Filed)

You may use the following worksheet to help you figure the amount of the payments that you should enter on line 44.

NOTE: Do not include payments reported on line 36 here.

Payment Worksheet		
Payments	Date of Payment	Amount
1. Payment with original return		
2. Payment		
3. Payment		
4. Payment		
5. Add lines 1 through 4. Enter the total here and also on Form 140X, line 44.		.00

Line 45 - Total Payments and Refundable Credits

Add lines 40 through 44.

Arizona's Claim of Right Provision

NOTE: Arizona's Claim of Right amount is now reported on line 40. See line 40 for instructions.

Line 46 - Overpayment From Original Return

If your original (or most recent amended) return for 2016 resulted in an overpayment of taxes, enter the overpayment amount. On your original return, you reported this amount on the following line.

2016 Arizona Income Tax Return	
Form	Line
140	60
140A	30
140EZ	17
140PY	71
140NR	67

NOTE: If the department changed amounts on your original return, use the changed amounts. If the department changed amounts on an earlier filed amended return, use those amounts.

Your overpayment may have been distributed or applied by one of the following means.

- You have received all or a portion of the overpayment in the form of a refund.
- You may have applied all or a portion of the overpayment to your next year's estimated income taxes.
- You may have applied all or a portion of the overpayment to one of the voluntary gifts specified on the Arizona income tax return.
- All or a portion of your refund may have been paid to a government agency, court, county, or an incorporated city or town for an obligation owed to that court, county, city, town or agency (e.g., prior year taxes, child support, etc.).

Regardless of how the overpayment was distributed or applied, enter the overpayment amount.

Line 47 - Balance of Credits

Subtract line 46 from line 45. Enter the difference.

Line 48 - Overpayment

If line 39 is less than line 47, subtract line 39 from line 47 and enter the difference.

Line 49 - Amount of Line 48 to be Applied to 2017 Estimated Taxes

If you are filing this amended return prior to the original due date of your 2017 return and you want all or part of the amount on line 48 applied to your 2017 estimated taxes, enter that amount. If you want all of the amount on line 48 refunded, enter zero.

Line 50 - Refund

Subtract line 49 from line 48. Enter the difference. If you owe money to any Arizona state agency, court, county, incorporated city or town and certain federal agencies, your refund may go to pay some of the debt.

TAX TIP: If you change your address before you get your refund, let the department know. Write to: Refund Desk, Arizona Department of Revenue, PO Box 29216, Phoenix AZ 85038-9216. Include your SSN in your letter.

Direct Deposit of Refund

Complete this line if you want us to directly deposit the amount shown on line 50 into your account at a bank or other

financial institution (such as a mutual fund, brokerage firm or credit union) instead of sending you a check.

Check the box on line 50A if the direct deposit will ultimately be placed in a foreign account. If you check box 46A, do not enter your routing or account numbers. If this box is checked, we will not direct deposit your refund. We will mail you a check instead.

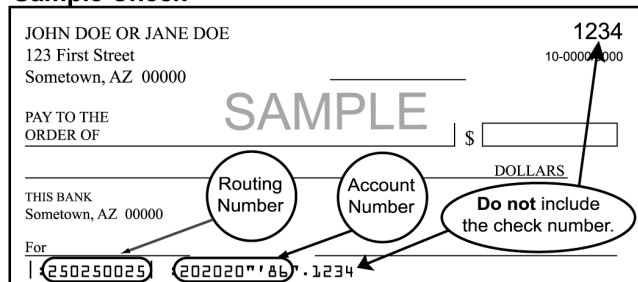
NOTE: *We are not responsible for a lost refund if you enter the wrong account information. Check with your financial institution to get the correct routing and account numbers and to make sure your direct deposit will be accepted.*

Routing Number

MAKE SURE YOU ENTER THE CORRECT ROUTING NUMBER.

The routing number must be nine digits. The first 2 digits must be 01 through 12 or 21 through 32. Otherwise, the direct deposit will be rejected and a check sent instead. On the following sample check, the routing number is 250250025.

Sample Check



Note: *The routing and account numbers may be in different places on your check.*

Your check may state that it is payable through a financial institution different from the one at which you have your checking account. If so, do not use the routing number on that check. Instead, contact your financial institution for the correct routing number to enter here.

Account Number

MAKE SURE YOU ENTER THE CORRECT ACCOUNT NUMBER.

The account number can be up to 17 characters (both numbers and letters). DO NOT include hyphens, spaces or special symbols. Enter the number from left to right and leave any unused boxes blank. On the sample check the account number is 20202086. Be sure not to include the check number.

Line 51 - Amount Owed

If line 39 is more than line 47, you owe additional tax. Subtract line 47 from line 39 and enter the difference. You may pay only with a check, electronic check, money order, or credit card. The department will bill you for any interest and penalty due.

Check or money order

NOTE: *Include your check or money order with your return. Please do not send cash.*

Make your check payable to Arizona Department of Revenue. Write your SSN and tax year on the front of your check or money order and include your payment with Form 140X.

The department cannot accept checks or money orders in foreign currency. You must make payment in U.S. dollars.

Electronic payment from your checking or savings account

You can make an electronic payment from your checking or savings account to pay your balance due. There is no fee to use this method. To make an electronic payment, go to www.AZTaxes.gov and click on the “Make a Payment” link.

Be sure to enter the correct account number and routing number for your checking or savings account. You may be charged a \$25 NSF (non-sufficient funds) fee if you provide an incorrect number. Check with your financial institution for to get the correct account and routing number.

The “E-Check” option in the “Payment Method” drop-down box will debit the amount from the checking or savings account that you specify. If you make an electronic payment from your checking or savings account, you will receive a confirmation number. **Please keep this confirmation number as proof of payment.**

Credit card payment

You can pay with your Discover, MasterCard, Visa, or American Express credit card. Go to www.AZTaxes.gov and click on the “Make a Payment” link and choose the credit card option. This will take you to a third party vendor site (provider). The provider **will charge** you a convenience fee based on the amount of your tax payment. The provider will tell you what the fee is during the transaction; you will have the option to continue or cancel the transaction. If you complete the credit card transaction, you will receive a confirmation number. **Please keep this confirmation number as proof of payment.**

Line 52 - Net Operating Loss Carryback Question

If you are filing this amended return as a result of a net operating loss carryback, check the box on line 52 and enter the tax year in which the net operating loss was incurred. This may speed up the processing of your refund.

Page 2 Instructions

For examples of how to complete page 2 of Form 140X, see pages 10 and 11.

Part 1 - Dependent Exemptions

If you need additional lines to list **all** of your dependents, including qualifying parents and grandparents, **complete page 3, Dependent Information – Continuation Sheet**, and include this page with your return. **Be sure to check the box indicating you are completing page 3.** Do not include page 3 with your return if you do not use it.

Line(s) 15a, 15b, 15c, etc.

Enter the information for **all** individuals you are claiming as a dependent in box 15, on page 1. Enter that dependent’s name,

SSN, relationship and the number of months that person lived in your home during 2016.

For details about who qualifies to be claimed as a dependent, see the instructions for the form you are amending.

Part 1 - Qualifying Parents and Grandparents

Lines 16a, 16b, etc. - Arizona Residents Only

Enter the information for **all** individuals you are claiming as a qualifying parent or grandparent in box 16, on page 1. Enter that person's name, SSN, relationship and the number of months that person lived in your home 2016.

For details about who qualifies to be claimed as a qualifying parent or grandparent, see the instructions for the form you are amending.

Part 2 (A) - Income, Deductions, and Credits

Lines 53a, 53b and 53c -

Explanation of Changes

We need to know what items you are changing on this amended return. We also need to know the amount of each change.

NOTE: *If you are making changes to any net capital gain or (loss) information reported on your income tax return, complete Part 2 (B) for those changes.*

Column (a)

In column (a), list each item you are changing.

Column (b)

In column (b), enter the amount reported on your original return or the most recently amended return for the tax year you are amending. If the department changed amounts on your original return, use the changed amounts. If the department changed amounts on an earlier filed amended return, use those amounts.

Column (c)

In column (c), enter the amount you are *adding to* (+) **or** *subtracting from* (-) the amount in column (b).

Column (d)

In column (d), enter the corrected amount (b+c=d **or** b-c=d).

Part 2 (B) - Net Capital Gain or (Loss)

Lines 54a, 54b, 54c, 54d and 54e -

Explanation of Changes

If you need to change any amount(s) previously reported for any net capital gain or (loss), complete columns (b), (c), and (d) on the appropriate lines.

Column (a)

Column (a), lists each applicable capital gain item.

Column (b)

In column (b), enter the amount reported on your original return or the most recently amended return for the tax year you are amending. If the department changed amounts on your original return, use the changed amounts. If the department changed amounts on an earlier filed amended return, use those amounts.

Column (c)

In column (c), enter the amount you are *adding to* (+) **or** *subtracting from* (-) the amount in column (b).

Column (d)

In column (d), enter the corrected amount (b+c=d **or** b-c=d).

Part 3 - Reason for Changes

Line 55 -

We need to know why you are filing Form 140X. For example, did you:

- Receive a notice from the IRS that changed your federal return?
- Amend your federal income tax return?
- Forget to claim a tax credit?
- Forget to claim a subtraction from income?
- Forget to make an addition to income?
- Forget to claim an exemption?
- Need to correct information regarding any net short-term or net long-term capital gains information?

In Part 3, list the line reference from page 1 for which you are reporting a change. Give the reason for each change and include any supporting document required. If you received a notice from the IRS, include a copy of that notice.

Part 4 - Address on Original Return

Lines 56a, 56b and 56c -

Enter the address used on your original return. (If it is the same, write "SAME".)

Examples for Completing Form 140X

The following three examples show how to complete Parts 1, 2, 3 and 4 on page 2 of Form 140X. The examples also show how amounts should be entered on the proper lines on page 1 of Form 140X.

Example 1

Sue, a full year resident, forgot to claim a dependent on her 2016 original return. Sue is filing this amended return to claim that dependent. Sue's son, Joe, was away at college and Sue did not claim him on her federal income tax return so that Joe could claim a federal education credit.

Because Sue is adding a dependent exemption, Sue must complete Part 1 of page 2, line 15a. Sue would complete Part 1 as follows:

Part 1

(a)	(b)	(c)	(d)	(e)	(f)
Name	SSN	Relationship	No. of months lived in your home in 2016	Check if this person did not qualify as a dependent on your federal return	Check if you did not claim this person on your federal return due to educational credits
Joe Smith	111-11-1111	Son	12		X

Part 2

Sue would complete Part 2(A) as follows:

(a)	(b)	(c)	(d)
Item	Original Amount Reported	Amount to Add or Subtract	Corrected Amount
Dependent	0	\$2,300	\$2,300

Part 3

Sue would complete Part 3 as follows:

Line 21, Subtractions from Income, increased to reflect dependent not claimed on original return.

Form 140X, page 1

When Sue completes page 1 of Form 140X, Sue would include the additional exemption amount of \$2,300 on line 21, "*Subtractions from Income*".

When Sue filed her original return she did not have any subtractions from income, so when she completes this Form 140X, Sue will enter \$2,300 (0 + \$2,300) on Form 140X, page 1, line 21.

Example 2

Jane, a full year resident, received a Form 1099INT showing interest income of \$1,500 after she filed her original 2016 return.

Jane is filing this amended return to report that interest income.

Jane's original return, reported a federal adjusted gross income of \$50,000, which included \$2,500 of interest income.

Part 2

Jane would complete form 140X, page 2, Part 2(A) as follows:

(a)	(b)	(c)	(d)
Item	Original Amount Reported	Amount to Add or Subtract	Corrected Amount
Interest Income	\$2,500	\$1,500	\$4,000

Part 3

Because the interest income would be included in Jane's federal adjusted gross income, Jane would complete Part 3 as follows:

Line 17, federal adjusted gross income increased by interest income reported on additional Form 1099INT.

Form 140X, page 1

When Jane completes page 1 of Form 140X, Jane would include this interest income in her federal adjusted gross income reported on page 1, line 17.

On Jane's original return, she reported a federal adjusted gross income of \$50,000. On this amended return, Jane will report a federal adjusted gross income \$51,500 (\$50,000 +\$1,500).

Example 3

Sam, a full year resident, took a subtraction from income for Arizona state retirement income on his original 2016 return for \$3,500.

Sam is filing this amended return to claim the allowable subtraction of \$2,500.

Part 2

Sam would complete Part 2(A) as follows.

(a)	(b)	(c)	(d)
Item	Original Amount Reported	Amount to Add or Subtract	Corrected Amount
Subtraction From Income	\$3,500	(\$1,000)	\$2,500

Part 3

Sam would complete Part 3 as follows:

Line 21, subtractions from income decreased to reflect the allowable subtraction for Arizona state retirement claimed on original return.

Form 140X, page 1

When Sam completes page 1 of Form 140X, Sam would enter \$2,500 (\$3,500 - \$1,000) on line 21.

Instructions Before Mailing

- **DO NOT STAPLE YOUR RETURN. DO NOT STAPLE ANY DOCUMENTS, SCHEDULES OR PAYMENTS TO THE RETURN.**
- Sign your return and mail it to the address listed below. If you are filing a joint amended return, both you and your spouse must sign.
- Be sure you enter your daytime telephone number in the space provided on the front of your return.
- Check to make sure that your math is correct. A math error can cause delays in processing your return.
- Make sure your **NAME** is on the return.
- Write your **SSN** and tax year on the front of your check.

The Department of Revenue may charge you \$25 for a check returned unpaid by your financial institution.

- Check the **boxes** to make sure you have filled in any that apply to you.
- Make certain you have included **all** required documents and/or schedules.

Filing Your Arizona Amended Return

Before you mail your return, make a copy of your return. Also make a copy of any schedules that you are including with your return. Keep the copies for your records. Be sure that you mail the original and not a copy.

The department cannot accept checks or money orders in foreign currency. You must make payment in U.S. dollars.

To avoid delays, if you are amending more than one tax return, please use a separate envelope for each return.

Where Should I Mail My Amended Return?

Make sure you put enough postage on your envelope.

If you are sending a payment with this return, mail the amended return to:

Arizona Department of Revenue
PO Box 52016
Phoenix, AZ 85072-2016

If you are expecting a refund, or owe no tax, or owe tax but are not sending a payment, mail your amended return to:

Arizona Department of Revenue
PO Box 52138
Phoenix, AZ 85072-2138

How Long to Keep Your Return

You must keep your records as long as they may be needed for the administration of any provision of Arizona tax law.

Generally, this means you must keep records that support items shown on your return until the period of limitations for that return runs out.

The period of limitations is the period of time in which you can amend your return to claim a credit or refund or the department can assess additional tax.

A period of limitations is the limited time after which no legal action can be brought. Usually, this is four years from the date the return was due or filed.

In some cases, the limitation period is longer than four years. The period is six years from when you file a return if you underreport the income shown on that return by more than 25%. The department can bring an action at any time if a return is false or fraudulent, or you do not file a return.

To find out more about what records you should keep, get federal Publication 552 at www.irs.gov.

Contacting the Department

Your tax information on file with the department is confidential. If you want the department to discuss your tax matters with someone other than yourself, you must authorize the department to release confidential information to that person.

You may use Arizona Form 285, *General Disclosure/Representation Authorization Form*, to authorize the department to release confidential information to your appointee. See Form 285 for details.