

CORPORATE TAX CREDITS

SCHOOL CHOICE ARIZONA


WE EXIST TO HELP FAMILIES
AFFORD THE EDUCATION OF
THEIR CHOICE—ONE THAT BEST
FITS THEIR INDIVIDUAL NEEDS.


SUPPORT EDUCATION WITH
YOUR DOLLAR-FOR-DOLLAR
CORPORATE TAX CREDIT...


**WITHOUT AFFECTING YOUR
COMPANY'S BOTTOM LINE!**


SCHOOL CHOICE ARIZONA

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NOTICE: A school tuition organization cannot award, restrict, or reserve scholarships solely on the basis of a donor's recommendation. A taxpayer may not claim a tax credit if the taxpayer agrees to swap donations with another taxpayer to benefit either taxpayer's own dependent. A.R.S. 43-1603 (C). Any designation of your own dependent as a potential recipient is prohibited.

HOW DOES THE CORPORATE DONATION PROCESS WORK?

1

CORPORATION CONTACTS
SCHOOL CHOICE ARIZONA.

CORPORATION SUBMITS
DONATION REQUEST FORM TO
SCHOOL CHOICE ARIZONA.

2

3

SCHOOL CHOICE ARIZONA SUBMITS
AN APPROVAL REQUEST TO THE **ADOR.**

IF DONATION IS APPROVED,
CORPORATION HAS 20 DAYS
TO MAKE THE DONATION
TO **SCHOOL CHOICE ARIZONA.**

4

5

CORPORATIONS TAKE A DOLLAR-FOR-DOLLAR TAX
CREDIT AGAINST THEIR AZ STATE TAX LIABILITY.
S CORPS MAY ALSO CLAIM DONATION AS A
CHARITABLE DEDUCTION ON FEDERAL TAXES.

**YOUR TAX CREDIT DONATION
SPECIFICALLY HELPS STUDENTS THAT HAVE:**

LOW TO MODEST INCOME

**PHYSICAL, LEARNING,
OR EMOTIONAL DISABILITIES**

**BEEN IN OR ARE CURRENTLY
IN THE FOSTER CARE SYSTEM**

WHO CAN DONATE?

C CORPORATIONS

INSURANCE COMPANIES
(PREMIUM TAX)

S CORPORATIONS

HOW MUCH CAN A CORPORATION DONATE?

C Corps: C Corporations may donate up to their state income tax liability for the given tax year, as long as it does not exceed the entire statewide cap for the year. If a corporation donates more than their tax liability, it can be carried forward for up to five years. (*A.R.S. § 43-1183*)

S Corps: S Corporations may donate up to their state income tax liability for the given tax year, with a minimum donation of \$5,000, and then pass the tax credit on to their shareholders proportionately. If a corporation donates more than their tax liability, it can be carried forward for up to five years. (*A.R.S. § 43-1089.04*)

WHICH CORPORATE TAX CREDITS ARE AVAILABLE?

ARIZONA HAS TWO CORPORATE TUITION TAX CREDITS:

Low-Income (*A.R.S. § 43-1183*)

Disabled/Displaced (*A.R.S. § 43-1184*)

Corporations receive a 100% credit against their AZ Corporate Tax Liability for donating towards either of these. The differences between them are the size of the statewide donation caps, as well as which students are eligible to receive the scholarships.

STATEWIDE CAP?

There is a yearly statewide maximum for donations. The statewide cap opens the first week of July each year, and is quickly reached. The Low-Income Corporate Cap does increase each year. Visit schoolchoicearizona.org to see the current year's caps, and contact us to see if the cap has been met.

WHO RECEIVES THE SCHOLARSHIPS?

Low-Income Corporate Scholarships are specifically designed to aid students of low to modest income families by helping them afford to switch from a public school to a private school of their choice.

Disabled/Displaced Corporate Scholarships are awarded to students who have been identified as having a disability, or students who currently are or have ever been in the Arizona foster care system.

CAN THE CORPORATION RECOMMEND A SCHOOL OR SCHOOLS?

YES.

STILL HAVE QUESTIONS?

Contact us today, and we'll help you create a brighter tomorrow for students across Arizona!