

How to use AZ tax credits to pay for the Doolen GATE 8th Grade End-of-Year Trip

What are AZ tax credits?

Arizona allows you to DIRECT your AZ tax money to specific organizations that benefit education in our community. This is NOT a donation and does NOT cost you anything once you file your return. It is simply a way for you to direct taxes you already pay the state to LOCAL schools and organizations that support education in our community.

How it works

You pay the amount you choose up to the limits outlined below via credit card or check.

When you file your tax return, you fill out the forms for the credits, and the money you put towards these schools/organizations is either refunded to you or used to reduce what you owe the state. Anyone who pays taxes in AZ and files can do this same process for your child and others – thus funding the entire 8th grade trip if we get enough people.

For example:

Let's say my AZ tax liability for this year is \$1000 – meaning that's how much in taxes I have to pay this year. Now, throughout the year my work withholds AZ taxes from my pay – let's say they withhold \$700. So, when I file my taxes I'm going to owe \$300 to the state. Now, let's say I make a tax credit payment to the Doolen GATE 8th grade trip for the maximum I can as someone filing as a single, \$200. So, the \$300 I owe at the end of the year to AZ is now only \$100 because of the tax credit. The same goes for a refund. If my withholdings for work are more than I owed for the year, I would get a refund. If my refund was supposed to be \$400 and I also made my \$200 tax credit payment, I would get \$600 back.

You can cover almost all of the trip costs with tax credits

Depending on how much each family owes after all the fundraising efforts, you can cover the “out of pocket” costs through tax credits from you, family and friends. For example, if each family needs to pay \$600 after fundraising, you can cover that amount with tax credits from only 2 or 3 people, including yourself. *A small portion of the trip fees cannot be covered by tax credits.

Tax credits for this year and subsequent years can be applied

Anyone can apply tax credits for this tax year and the next towards the trip. You just have to wait until January to make the tax credit payment for next year. The payment for this tax year can happen this year or all the way up until April 15 of next year.

End of year trip deposit in 8th Grade:

The trip deposit can be through tax credit, but Ms. Coulter must receive a copy of the receipt. The date for this deadline depends on the year, so please check your emails from Ms. Coulter for this date.

Sounds too good to be true, well it's not. Just go to the next page for step-by-step instructions!

5 easy steps to take advantage of AZ tax credits

Step 1: Go to az-tucson-taxcredits.intouchrecepting.com for the TUSD tax credit payment page. You will see the screen below. Fill it in as it shows here. (do not put anything in the "Memo" field. Maximum per year for single filing is \$200, married filing jointly is \$400)

Arizona tax law (ARS 43-1089.01) allows taxpayers a TAX CREDIT of up to \$400.00 for married filing jointly and \$200 for single filers if they contribute to extracurricular activities in public schools. This tax credit is available only to individuals in Arizona.

To make a donation:

1. Select the school and tax credit item from the drop down box. You may enter a memo or student name in the memo field.
2. Enter in the amount of the contribution and click **Buy**. You may select multiple schools or tax credit items.
3. When you are finished, click on the **Checkout** button.
4. Enter in your card information and click **Pay**.
5. You may either print out your receipt or e-mail the receipt to print at a later time.

Donation Items

| School | Item | Memo | Amount | |
|----------------------|---------------------------------|------|--------|------------|
| DOOLEN MIDDLE SCHOOL | Bth Grade GATE Field Trip Tax t | | 400: | Buy |

Cart \$0.00

Checkout

PLEASE NOTE: After entering the amount of your purchase you must click the **Buy** button to add your selected item to the cart before you can click **Checkout** to proceed to the payment screen.

Leave Blank

Click on the blue "Buy" button and then the gray "Checkout" button. Next, click on the "Pay" button. Enter your information to complete.

Step 2:

You will receive an emailed receipt for your tax credit. Print this out for your records AND email the receipt to Ms. Coulter at carmen.coulter@tusd1.org and include your student's name and current grade level in the email. If a family member submits the tax credit for your student, please pass Ms. Coulter's email along to them so they can forward their receipt to her along with the name of the student the receipt is for. If she does not get an electronic copy of the receipt, it cannot be applied toward your student's trip.

Step 3:

Go to the Arizona Department of Revenue site and download a PDF of the tax year you need, azdor.gov/forms/tax-credits-forms/credit-contributions-made-or-fees-paid-public-schools you will file this form with your taxes to receive your tax credit.

Step 4:

You are done! Follow these steps again next year to use both year's credits for the trip.

Step 5:

Send this info to family and friends and ask them to direct their tax credits this same, exact way. They can email you their receipt and you can apply it towards your child's trip fees, or their credits will go to cover other children's fees as needed.