

## **How to use AZ tax credits to pay for the Doolen GATE 8<sup>th</sup> grade end of year trip to Washington, D.C.**

### **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 chose 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 8<sup>th</sup> grade trip if we get enough people.

### **For example:**

Let's say my AZ tax liability for 2019 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 8<sup>th</sup> 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 2019 and 2020 can be applied**

Anyone can apply tax credits for this tax year and the next towards the trip. You just have to wait until 2020 to make the tax credit payment for next year. The payment for the 2019 tax year can happen this year or all the way up until April 15 of 2020.

### **End of year trip deposit:**

The \$200 deposit can be through tax credit, but Ms. Coulter must receive a copy of the receipt by Oct. 3<sup>rd</sup>

**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:** Click [here](#) to go to 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	8th Grade GATE Field Trip Tax		400	<b>Buy</b>
				Checkout

Cart \$0.00

**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 and send it with your child to school to give to Ms. Coulter, or you can [email it to Ms. Coulter](#).

### Step 3:

Go to the [AZ Department of Revenue site to download form 322](#), you will file this form with your taxes to receive your tax credit.

### Step 4:

You are done! Follow these steps again in early 2020 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.

### Questions:

This form was set up by parent, Gawain Douglas. He is happy to answer any questions you might have about tax credits and how they work. Contact him via email, [gawain@tilquhillie.com](mailto:gawain@tilquhillie.com)