



Adopt a Project Sleep Tight Tote Program

www.ProjectSleepTight.org

Arizona Charitable Tax Credit | FAQ

A. Arizona Donations

What's a tax credit?

A tax credit reduces the amount of money you owe in state income taxes, dollar-for-dollar. For example, if you owe \$500 in state income taxes and you donate \$200 to Project Sleep Tight USA, you may subtract \$200 from your tax bill and pay the state only \$300.

What is the Charitable Tax Credit?

This is not just another deduction! The Arizona Charitable Tax Credit is a tax credit that lets you get every single dollar of your donation to back as a state tax refund or credit against what you owe in state taxes.

Do I qualify for this tax credit?

Yes! As long as you or your spouse pay any amount in Arizona state income taxes, then you qualify for this tax credit.

What do I need to do?

All you need to do is make a donation to Project Sleep Tight USA no later than December 31, 2014. When you file your tax return in 2015, include [Form 321](#). Project Sleep Tight will send you a tax acknowledgement letter immediately and forward a 2014 AZ Tax Form 321 so it's ready to file with your tax return.

What is the maximum tax credit I can get?

The limits are \$200 for individuals and \$400 for married couples filing jointly. You can give any amount up to those limits.

Do I have to itemize deductions to claim this tax credit?

No. Ever since the 2013 tax year, you do not have to itemize deductions to claim a credit for gifts to a qualifying charitable organization.

Will this credit also apply to my federal income tax return?

No. The Arizona Charitable Tax Credit only applies to your Arizona state income tax. However, you might be able to claim a federal tax deduction for the amount donated. Consult your tax advisor.

Can I take the Charitable Tax Credit if I take the Public School Tax Credit and/or Private Tuition Organization Charitable Tax Credit?

Yes, they're completely separate credits and you can take advantage of all three.

Where can I get more information on the Charitable Tax Credit?

Please visit the Arizona Department of Revenue website at <http://www.azdor.gov> or call the Taxpayer Assistance office at (602) 636-9199.