

FACT SHEET
AZ TAX CREDIT 321 FOR QUALIFYING CHARITABLE ORGANIZATIONS

- Arizona NOW allows \$800 for a married couple and \$400 for a single.
- This tax credit is formerly known as the Working Poor Tax Credit.
- This is a tax credit, not a tax deduction. \$ for \$ A tax credit is applied as a reduction to your tax bill. In this case, the credit comes off the top of your state tax bill, lowering the amount of money that you must pay.
- In Arizona you are allowed 4 tax credits per year. One is for organizations who provide services for the working poor (Qualifying Charitable Organizations), two are related to public and private schools and one for foster children.
- The Qualifying Charitable Tax Credit reduces your overall state tax liability and is not impacted by your tax withholdings during the course of the year.
- If you have no Arizona tax liability for the current year, you may carry the tax credit forward for up to five (5) years.
- This is a dollar for dollar return!

Consult your tax adviser to learn how this credit can be most beneficial.
For more information about tax credit eligibility, visit *Arizona Department of Revenue*.

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