

Arizona Charitable Tax Credit FAQs

Junior Achievement is not a tax advisor. Please contact a qualified tax advisor for advice on your specific tax situation.

Q: Who can make qualifying tax credit donations?

A: Only donations to Junior Achievement from individuals may be eligible for Arizona Tax Credits. Donations from corporations are not eligible.

Q: What is the difference between a tax credit and a tax deduction?

A: Tax credits are dollar-for-dollar credits that you receive back on your tax returns either as a reduction of your income tax liability or as an income tax refund you can pocket. Tax deductions lower your taxable income so that you would not have to pay taxes on the charitable portion that would have otherwise been subjected to taxation based on your income tax bracket.

Q: Can I claim a tax credit and a tax deduction for my donation?

A: For Arizona taxes, no, you cannot claim both a deduction and a credit for the same charitable donation on your Arizona tax return. However, you can claim the tax credit on your Arizona taxes, but still claim the tax deduction on your Federal taxes.

Q: Do I have to itemize deductions on my tax return to take advantage of this tax benefit?

A: No, taxpayers do not have to itemize deductions to claim a credit for contributions to Qualifying Charitable Organizations (QCOs).

Q: How do I document my contribution?

A: You or your accountant will need to complete the “Credit for Contributions to Qualifying Charitable Organizations” form (AZ Form 321) that is included with your state tax filing. If more details or specific instructions are needed, please consult with a qualified tax advisor. The form is included with materials provided by the State of Arizona to all state tax filers. Please note: tax rules and regulations are subject to change. Please refer to the most up-to-date information per your city/state rulings.

Q: Will Junior Achievement provide me any documentation I need for my taxes?

A: Junior Achievement will provide you with a receipt record of your contributions to Junior Achievement.

Q: Is there a limit to how much I can claim?

A: Yes. Taxpayers filing as “single,” “head of household,” or “married filing separate” may claim a maximum credit of \$400. Taxpayers filing as “married filing joint” may claim a maximum credit of \$800.

Q: Can I claim a charitable tax credit as well as a school tax credit?

A: Yes, donations to JA may qualify for the Qualifying Charitable Organizations Tax Credit (formerly “Working Poor Tax Credit”) and do not compete with other tax credits. In other words, qualifying donations to your child’s school and to JA may entitle you to multiple tax credits against your AZ state income taxes.

Q: What is the period for making eligible contributions?

A: Credit eligible contributions made to a Qualifying Charitable Organization or Qualifying Foster Care Charitable Organization that are made on or before April 15th (the 15th day of the fourth month following the close of the taxable year) may be applied to either the current or the preceding taxable year and is considered to have been made on the last day of that taxable year.

Q: Where can I find out more information about Arizona Tax Credits?

A: We recommend you consult your tax advisor regarding questions about how Tax Credits can impact your personal circumstances. More information about Arizona Tax Credit can be found here:
<https://www.azdor.gov/TaxCredits.aspx>