

## History

Arizona School Choice Trust (ASCT) is the most experienced school tuition organization in Arizona. ASCT's mission is to provide hope and opportunity to low-income families by providing tuition scholarships to enable their children to attend private elementary and secondary schools (K-12) through the Arizona Tax Credit Scholarship Program for Low-Income and Displaced (foster care) and Disabled Children.

## Why Partner with ASCT?

Since 1993, ASCT has provided over 1,000 scholarships to economically disadvantaged children who qualify for the National School Free and Reduced Lunch Program.

- Corporations are able to redirect up to 100 percent of its state corporate income tax liability to fund these low-income student scholarships via the Arizona Tax Credit Scholarship Program *at no additional cost to participate.*
- Any C or S corporation that files a 120 Arizona Corporate Income Tax Return can redirect its tax liability to ASCT since we administer K-12 education scholarships for economically disadvantaged children and scholarships for displaced (foster care) and disabled students.

## How to Reserve Your Corporate Tax Credit

Corporations who owe taxes to the State of Arizona are eligible to receive a 100% dollar-for-dollar tax credit against the amount a corporation redirects to ASCT, and the corporation doesn't need to be domiciled in Arizona to redirect its tax liability.

## Program Cap and Fund Designations

The cap for contributions to the tax credit scholarship program for low-income children is \$62.4M for the 2016-17 fiscal year. For corporations wishing to designate funds specifically for children who are disabled or in foster care (Lexie's Law program) the cap is \$5 million annually.

## Your Tax Credits at Work



ASCT scholarship recipient, Jadon was diagnosed with autism, but Lauren's Institute for Education has given him and his parents hope for a successful educational experience.

## The Process to Enroll is Simple

Arizona School Choice Trust can handle all the paperwork for your corporation. Information on eligibility is available on the Arizona Department of Revenue (ADOR) website:

<http://www.azdor.gov/TaxCredits/CorporateTuitionTaxCredits.aspx>

1. To take advantage of this tax credit, the corporation contacts Shawwna L.M. Bolick from ASCT at 602-418-2469 or email at [sbolick@asct.org](mailto:sbolick@asct.org) and pledges to make a contribution in \$X amount.
2. ASCT then completes the application for the corporation and submits it to the Arizona Department of Revenue (ADOR).
3. If the program cap has not been met, ADOR approves the request within 20 days. The corporation has 20 days from the date of approval by ADOR to make the contribution.
4. The corporation takes the tax credit on its tax return, but **may carry any unused credit forward for up to five years after the contribution was made.**
5. To claim the credit, the corporation lists the credit on the standard 120 form, and files a 335 form attached to the return. The corporation may take either the federal deduction or the Arizona state credit, but not both.

*\*Please consult your tax advisor for advice on filing and using your credit. This is only a guide; it does not constitute tax advice.*

***Your corporation's contribution and identity are not public record unless you disclose it.***

***Contributions may not be designated for any specific student or students.***

*Arizona School Choice Trust, Inc. (ASCT) is a "school tuition organization" as defined by A.R.S. Section 43-1089, and as such, must allocate at least 90 percent of its annual revenue for educational scholarships or tuition grants to children to allow them to attend any qualified school of their parents' choice. Up to 10 percent of all revenues can be used for administration. ASCT cannot award, restrict or reserve scholarships solely on the basis of donor recommendation. Additionally, a taxpayer may not claim a tax credit if the taxpayer agrees to swap donations with another taxpayer.*