



**Institute for  
Better Education**

## **Corporate Tax Credit Program**

Partnering with Arizona Businesses to  
make a difference in the lives of Arizona  
children!



**Put your tax dollars to  
work in your community  
Help us put kids first at  
The Abbie School!**



Silver  
Transparency  
2022

Candid.



921 N. Swan Rd  
Tucson, AZ 85711  
(520) 512-5438

[AZCORPORATETAX.ORG](http://AZCORPORATETAX.ORG)



Dear Arizona Businessperson:

Thank you for your interest in the Arizona Corporate Tax Credit Program (A.R.S. 43-1183 and A.R.S. 43-1184).

**Abbie School** is a nonprofit school that provides a place of excellence and opportunity for neurodiverse students. We provide a specialized education based on innovative and research-proven techniques in sensory sensitive and accepting environment. Our goal is to maximize potential by drawing on a student's strengths, interests, and by giving students the opportunity to be valued for their individuality. Our focus is the whole child, giving equal value to academic work as well as honing the skills necessary to be successful in relationships and life.

### Why Abbie School?

- **Abbie School's** focus is not only on academic skills, but also on social skills, emotional regulation, leadership, self-determination, and independent living skills.
- **Abbie School's** goal is for students to master concepts that help them in their relationships, showing them how to affirm their worth, the worth of others and their valued place within our community.

Our leadership has developed rich elective programs and growth opportunities. Through our in-school transition program and our partnerships with Workability or the University of Arizona's UCEDD program, our students are taught the critical skills needed to further their potential through an appropriate career path.

Our teaching methodology is based on Applied Behavior Analysis (ABA) and we incorporate Positive Behavioral Interventions and Support (PBIS) into our curriculum. **The Abbie School** has a 100% graduation rate!

### Arizona businesses eligible to receive a dollar-for-dollar tax credit:

- C-Corps, S-Corps, LLCs that file as an S-Corp, or Insurance Companies that pay premium taxes

The corporate donation process is simple. The one-page application, included in this folder, allows you to recommend **The Abbie School** and programs that you would like to benefit from your donation. We accept applications throughout the year, but approval from the Department of Revenue begins in July. Applications are accepted until the state-wide cap is met. Have your business take advantage of this wonderful tax credit program offered by the state of Arizona, all while benefiting students in your community!

Whether you are able to participate yourself, or simply provide this information to someone who can,  
**thank you!**

Kindest regards,



Kimberly J. Kirschner, Executive Director

# Have You Considered the Impact of Being a Corporate Donor for



Kids are depending on you...



## Philanthropic

- Your company will help support **The Abbie School**, a federally exempt, nonprofit school dedicated to helping students diagnosed with Autism, ADHD, Learning Disability, OHI, or sensory processing disorders.
- Your company will offer hope and flexibility, creating space for Abbie students to create friendships, experience education, grow their interests and discover new passions in a way that makes sense to them. Link arms with us, and help our students lead fulfilling, independent and productive lives; full of love, friendship and hope.
- Your company will join with others statewide that want to be part of the solution – and are doing something about it. At **The Abbie School**, students explore, build, and learn!

## Community

- Your company can recommend **The Abbie School** to benefit from your donation. Local businesses helping local students! **The Abbie School** will be notified of your generous donation, unless you choose to remain anonymous.
- Your company can take advantage of marketing provided by IBE!

...please consider participating in the Arizona  
Corporate Tax Credit Program today!



**Institute for  
Better Education**

T 520.512.5438  
F 520.203.0184

921 North Swan Road  
Tucson, AZ 85711

[ibescholarships.org](http://ibescholarships.org)



## Can Corporations Receive a Dollar-for-Dollar Arizona Tax Credit?

Yes, any eligible business with an Arizona tax liability can donate to the Institute for Better Education to benefit either the Low-Income Scholarship Program and/or the Disabled/Displaced Scholarship Program. These programs help children who are low-income, disabled, or have been a ward of the state (displaced) to attend the private school that best fits their needs, all while giving the donating corporation a dollar-for-dollar tax credit! Your corporation can even recommend a school to benefit from these scholarships!

### Corporate Tax Credit Program Facts

- Eligible businesses are C-Corporations, S-Corporations, Insurance companies who pay taxes on their premiums collected in Arizona, and LLCs that file taxes as an S-Corporation.
- The donation must be made to an STO (School Tuition Organization). Institute for Better Education (IBE) is a certified STO by the Arizona Department of Revenue and a federal non-profit organization (501(c)(3)).
- The corporation can designate their donation for either the Low-Income Corporate Scholarship Program and/or the Disabled/Displaced Corporate Scholarship Program.
- The minimum contribution amount is \$5,000 for S-corporations or LLCs that file as an S-corp. There is no minimum for C-corporations or insurance companies. There is no maximum contribution, but the state sets a donation cap for all contributions received for both programs each year. For fiscal year 2022/2023, the Low-Income Corporate limit will be in excess of \$142,000,000. The Disabled/Displaced Corporate limit is constant each year at \$6 million dollars.
- The donation approval process (see below) starts July 1, 2023 and is on a first come/first serve basis until the tax credit limit is reached. In past years, both tax credit programs have reached their limit almost immediately.
- The corporation may carry forward any unused tax credits for 5 years.

### Corporate Tax Credit Process

1. Determine your corporation's donation amount based on your state income tax liability.
2. Complete the Corporate Donation Application and email to Crystal Lanik, at [clanik@ibescholarships.org](mailto:clanik@ibescholarships.org) who handles our Corporate Donor Relations.
3. IBE will submit your donation request to the Arizona Department of Revenue (ADOR) for pre-approval.
4. The ADOR has up to twenty days to respond with an approval/denial, although it is typically within a few days. IBE will then notify the corporation and the corporation has twenty days from the date of approval to provide IBE with up to the donation amount approved. IBE then notifies the ADOR that the donation is complete.
5. The Corporate Tax Credit donation amount can then be claimed as a tax credit when filing your company's state taxes or personal taxes in the case of S-Corps or LLCs that file as an S-Corp.

## Additional S-Corporation Information

- The Corporate Tax Credit is available to an S-Corporation as defined in Section 1361 of the Internal Revenue Code.
- LLCs taxed as S-Corporations for federal and state purposes are eligible to donate to IBE for a Corporate Tax Credit.
- The S-Corporation may make an irrevocable election to pass the credit through to its individual shareholders instead of claiming the credit against income taxed at the corporate level (on the 120S).
- The S-Corporation does not need to have a liability in order to pass the credit through to its shareholders. The shareholders will apply their share of the tax credit against their individual income tax liability.
- Any pro rata shares that would be distributed to non-eligible partners (individual partners in a partnership) or estates or trusts (shareholders in an S-Corporation) are lost.
- The donation to IBE must be made by the S-Corporation in order to be eligible for the tax credit, not the individual taxpayer.
- For Low-Income Corporate Tax Credit donations - Form 335 and Form 335-S will be completed by the S-Corporations and submitted with their 120S. A copy of Form 335-S is also to be forwarded to the shareholders.
- For Disabled/Displaced Corporate Tax Credit donations – Form 341 and Form 341-S will be completed by the S-Corporation and submitted with their 120S. A copy of Form 341-S is also to be forwarded to the shareholders.

## Individual Shareholder Reporting Requirements

- There is no limit on the Corporate Tax Credit claimed by the individual taxpayer. If the taxpayer's share of the S-corporation credit is \$3,000 then their credit will be \$3,000.
- Form 335-S or 341-S will be completed by the S-Corporation and forwarded to the shareholder. The individual taxpayer will claim their share of the credit on Form 341-I.
- The Corporate Tax Credit does not impact the individual taxpayer's ability to claim the Original or PLUS tax credit.
- The individual taxpayer may carry forward any unused credit for 5 years.



# Corporate State Tax Credit Application

(§ARS 43-1183, and/or §ARS 43-1184)

Please print legibly. Applications will be submitted to the Arizona Department of Revenue on the opening day of the state cap or when the application is received if the cap is still available.

Mail, email, or fax the completed form to:



**Institute for Better Education**

921 N. Swan Rd.

Tucson, AZ 85711

520.512.5438

520.203.0184 FAX

[clanik@ibescholarships.org](mailto:clanik@ibescholarships.org)

☐ I would like this donation to benefit Low-Income Students (A.R.S. § 43-1183)

☐ I would like this donation to benefit Disabled and/or Displaced Students (A.R.S. § 43-1184)

☐ This donation comes from Insurance Premium tax. NAIC #: \_\_\_\_\_

☐ This donation comes from an S-Corporation.

Name and EIN of parent S corporation if contributing company is a qualified subchapter S subsidiary: \_\_\_\_\_

Corporation Name requesting to donate:

Corporate Street Address:

City, State and Zip:

Contact Name:

Phone:

Contact Email:

Fiscal Year:

Corporate FEIN:

Donation Amount Requested:

Name of School Recommended:





**Institute for  
Better Education**

**Have a say...**

**IBE Employer Withholding**

**ARIZONA CORPORATE TAX CREDIT PROGRAM**  
(A.R.S. 43-1183 and A.R.S. 43-1184)

Dear Arizona Businessperson:

We have found that many Arizona businesses are able to offer their employees the opportunity to participate in an Employer Withholding Tax Credit program. This allows the employees to elect to send their state tax deductions from their paycheck to IBE quarterly instead of sending them to the Arizona Department of Revenue. The employee is able to recommend a specific Arizona private school such as **The Abbie School** or even a specific student.

I have attached the forms necessary for 2023:

- A-4C is the form the employees will give to you requesting that their State taxes be sent to IBE
- 2023 IBE Withholding Application is the document sent to IBE so we know what the employee's recommendation is.

Our Business Office Manager, Jodi Schulz, is more than happy to help you through this process if you would like to offer this to your employees and help an amazing school like **Abbie School** in a real and tangible way.

Sincerely,



Kimberly J. Kirschner  
Executive Director





# Private School Withholding Application

**Title:**   ☐ Mr.   ☐ Mrs.   ☐ Ms.   ☐ Mr. & Mrs.   ☐ Dr.   ☐ Dr. & Mrs.   ☐ Dr. & Mr.   ☐ Dr. & Dr.

**Filing Status:**   ☐ Single   ☐ Married, jointly   ☐ Married, separately

**Donor Information:**

Donor Name: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Email: \_\_\_\_\_

**Employer Information:**

Employing Company name: \_\_\_\_\_

Employer Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ Phone: \_\_\_\_\_

Primary Contact name and title: \_\_\_\_\_

**2023 TAX YEAR:** Single filers may contribute: \$655 for Original Individual and \$652 for PLUS Switcher.  
Married filers may contribute: \$1,308 for Original Individual and \$1,301 for PLUS Switcher.

I would like to recommend my gift for scholarship assistance to:

Original Individual	PLUS Switcher
Intended total Original donation: _____	<b>By law, you may only donate to PLUS if you have fulfilled your Original Individual donation for that same tax year.</b> Intended total PLUS donation: _____
<input type="checkbox"/> IBE's most needed fund	<input type="checkbox"/> IBE's most needed fund
<input type="checkbox"/> Recommend a school: _____	<input type="checkbox"/> Recommend a school: _____
<input type="checkbox"/> Recommend a student: _____	<input type="checkbox"/> Recommend a student: _____
	*important applicant eligibility requirements exist if recommending a student. Please visit <a href="https://ibescholarships.org">ibescholarships.org</a> for more information.

Donor Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Notice (A.R.S. 43-1603): A School Tuition Organization cannot award, restrict or reserve scholarships solely on the basis of a donor recommendation. A taxpayer may not claim a tax credit if the taxpayer agrees to swap donations with another taxpayer to benefit either taxpayer's own dependent.

# 2023 Request for Reduced Withholding To Designate for Tax Credits

## Arizona Form A-4C

### For information or help, call one of the numbers listed:

Phoenix (602) 255-3381  
From area codes 520 and 928, toll-free (800) 352-4090

### Tax forms, instructions, and other tax information

If you need tax forms, instructions, and other tax information, go to the department's website at [www.azdor.gov](http://www.azdor.gov).

### Withholding Tax Procedures and Rulings

These instructions may refer to the department's withholding tax procedures and rulings for more information. To view or print these, go to our website and select *Reports & Legal Research* from the main menu, then click on *Legal Research* and select a Document Type and a Category from the drop down menus.

### Publications

To view or print the department's publications, go to our website, select *Reports & Legal Research* from the main menu, and click on *Publications* in the left hand column.

## General Instructions

Arizona Revised Statutes § 43-401(G) provides that an employee may request that his/her employer reduce his/her withholding in an amount equal to income tax credit(s) the employee will qualify for when filing his/her Arizona income tax return.

### Purpose of Form

An employee may use this form to request his/her employer to reduce his/her Arizona state income tax withholding by the amount the employee wishes to contribute to the following organizations (Entities):

- Contributions to qualifying charitable organizations, claimed on Arizona Form 321;
- Contributions made or fees paid to public schools, claimed on Arizona Form 322;
- Contributions to private school tuition organizations, claimed on Arizona Form 323;
- Contributions to certified school tuition organizations claimed on Arizona Form 348; or,
- Contributions to qualifying foster care charitable organizations claimed on Arizona Form 352.

This form is optional and is provided as a courtesy by the Arizona Department of Revenue. The same result can be accomplished using your own form or a letter.

***Do not mail this form to the Arizona Department of Revenue. Provide this form to your employer's human resource or payroll office.***

## Specific Instructions

Type or print your name and address in the box in the upper left corner of the form. Type or print your employer's name and address in the box labeled "TO:"

Complete the form's worksheet by entering the name and requested information for each Entity to which you wish to contribute. If you are contributing to more than three (3) Entities, check the box indicating additional Entities are designated on a separate sheet. Provide that sheet along with Form A-4C to your employer.

Enter the total amount of credit for each Entity you are claiming for the tax year in the space provided.

Sign and date Form A-4C where indicated. Print your name below your signature.

Provide the completed form to your employer. Keep a copy of the completed form and any supporting documents for your records.

### NOTE:

*Your employer is not required to grant this request.*

***Do not mail this form to the Arizona Department of Revenue.***

**Provide this form to your employer.  
Do not mail this form to the Arizona Department of Revenue.**

Employee's Name	Employee's SSN
Employee's Address – Number and street or PO Box	
Employee's City, State and ZIP Code	

**TO:**

Employer's (Company) Name
Employer's Address – Number and street or PO Box
Employer's City, State and ZIP Code

At my employer's option, I request that my withholding be reduced in accordance with Arizona Revised Statutes (A.R.S.) § 43-401(G) and that quarterly payments be made on my behalf to the following charity(ies), public school(s), or school tuition organization(s) [Entity]:

QUALIFYING CHARITIES, PUBLIC SCHOOLS, OR SCHOOL TUITION ORGANIZATIONS				
<b>FIRST ENTITY</b>	Entity Name			Employer Identification No. (If known)
	Entity Street Address			Phone No. (With area code)
	Entity City	State	ZIP Code	Annual Amount: \$ .00
<b>SECOND ENTITY</b>	Entity Name			Employer Identification No. (If known)
	Entity Street Address			Phone No. (With area code)
	Entity City	State	ZIP Code	Annual Amount: \$ .00
<b>THIRD ENTITY</b>	Entity Name			Employer Identification No. (if known)
	Entity Street Address			Phone No. (with area code)
	Entity City	State	ZIP Code	Annual Amount: \$ .00

☐ If this box is checked, additional entities are designated on a separate sheet.

I qualify for and am entitled to this amount of credit (\$\_\_\_\_\_ .00) for 2023 under A.R.S. §§ 43-1088, 43-1089, 43-1089.01 and/or 43-1089.03. Refer to the instructions for Arizona Forms 321, 322, 323, 348, and/or 352 for credit limits.

EMPLOYEE'S SIGNATURE \_\_\_\_\_

DATE \_\_\_\_\_

PRINT NAME \_\_\_\_\_

FOR EMPLOYER USE ONLY			
<input type="checkbox"/> Approved by:			Date
Total Contribution \$	Pay Periods	Current Withholding \$	Amount Per Pay Period (not more than current): \$
<input type="checkbox"/> Denied – Indicate reason:			Employee Notified: <input type="checkbox"/> Yes <input type="checkbox"/> No

**Do not mail this form to the Arizona Department of Revenue. Give it to your employer.**