

GUIDELINES FOR MFRF DONATIONS:

An Arizona Tax Credit Contribution to the Military Family Relief Fund (MFRF) can be made for up to \$200 per individual and \$400 per couple (report your contribution in your AZ tax return using AZ Form 340).

The MFRF tax credit contribution can be made, for example, in addition to a: \$200/\$400 tax credit contribution to Public Schools (AZ Form 322), and a \$500/\$1000 tax credit contribution to Private School Tuition Organizations (AZ Form 323), and a \$200/\$400 tax credit contribution to Charities That Provide Assistance to the Working Poor (AZ Form 321), and there are some other tax credit contributions that may also qualify.

You will receive a credit for all of your Arizona Tax Credit Contribution as long as you have an Arizona tax liability equal to or greater than the total of your Tax Credit Contributions. Contributions can be scaled to stay within your tax liability, and excess contributions can be carried forward to next year for some contributions. However, no part of your MFRF contributions can be carried forward.

If you have had AZ tax withholdings (or made quarterly tax payments) that equal or exceed to the total of your Tax Credit Contributions, you will receive a refund equal to your total Tax Credit Contributions, in addition to any additional refund that you may be entitled to.

If you have had no AZ tax withholdings for the year, and/or made no quarterly payments, your Tax Credit Contributions will factor in to your AZ Form 140 tax return calculation and be deducted from what you owe for the year.

If you haven't done an MFRF tax credit contribution in the past, try it this year. It doesn't cost you a cent, you are just telling the state government where spend some of your tax dollars. But do it soon as there is \$1,000,000 annual cap on the total of MFRF donations and they must be received at the ADVS by 31 December.

ADVS is obligated to send you a receipt for your contribution, but that can take some time if a lot of donations are received late in the month. And contributions received after the cap is reached will be returned to you but the timing may be a problem for you if you file early in the year and only assume that your contribution qualified.

Contact your tax preparer if you have any special circumstances or reservations with what you see above, or have any questions.

Click on http://dvs.az.gov/benefits/relief_fund.aspx for more information on the MFRF program and to download or print copies of the Donation Form.