



## Comments and Frequently Asked Questions about State of Arizona Tax Credits

**Sounds complicated...It is too much work...I don't get it... I don't do my taxes... Someone else does my taxes... It sounds too good to be true...Sounds illegal... I don't make enough money to pay taxes, I always get a refund.**

Once you "feel" the process all the way through, it will make total sense. A tax accountant, a school parent, the school office can help you through the process. Your tax person knows how to make it work, just tell them you want it! The tax credit has been challenged several times in court, and the law has always been upheld, and even expanded in the last few years. *How much you can donate is based on your liability...*

**Does this hurt public education?**

No! The state funds the Public Schools based on their student count. The per-student expenditure does not change at an average of \$7,021, of which only 50% gets to the classroom. Christ the King Catholic School tuition is \$4,634 with 75% going to the classroom!

**I already give to Extra-Curricular activities at the public school.**

There are multiple tax credits in the state of Arizona: Public School Extra-Curricular Activities, Working Poor (like H.O.P.E) and the Private School Tax Credit- like CEA, designated to Christ the King. The total dollar amount donated, and then returned to you, is up to the amount of your Tax Liability.

**How do I estimate my tax liability?**

Look at line 21 from last year's tax form that you filed with the state. That is the number from the tax table -- your tax liability. Or, you can look up your tax percentage online or ask an accountant.

**How much should I donate?**

Any amount. You will receive a tax credit up to your tax liability-- look at line 21 of the form you filed with the state last year.

**How will I get my refund?**

File form 323 for the first \$500/\$1000 (single/married) and form 348 for the second \$500/\$1000. CEA will send you all necessary receipts and tax forms at the end of the year.

**Who receives these scholarships?**

CEA gives the scholarships to students at Christ the King School who have a financial need and would not otherwise be able to afford Catholic School.

**What if I am not Catholic?**

That's ok. We're not asking you to support the Catholic Church but rather a child's education. Your donation assists in paying for children's private school tuition.

### **What are some ways I can make my contribution?**

1. Check or Credit Card, by mail or online, lump sum or monthly.
2. Put some of your tithe toward CEA and then tithe a lump sum when the state returns your tax credit. Example: You tithe x% to church and y% to CEA. X and y% can be deducted from Federal returns, y% goes towards school scholarships, y% gets refunded to you at tax time and you tithe that to church. You help two charities with the same funds!
3. Between January 1 and April 15th, get the final draft of your AZ tax return to find your state tax liability. Use a credit card to donate up to \$2062 to CEA *before* you sign and file. You'll receive your refund before the next statement is due to pay the credit card charge. Likewise, you could borrow for the short term between when you file and when your credit arrives.
4. If you already have state taxes withheld from your paycheck, check with your employer to see if they will redirect a portion of your withholding directly to CEA instead of to the state.

### **If my child of choice won't qualify for a Plus Scholarship, should I donate anyway?**

Yes, give your tax liability to CEA, designated to Christ the King!

### **What is a Plus Scholarship?**

For students who are entering Kindergarten, transferring from a failing school, or has parents in the military.

### **Where can I get more information?**

1. Ask an accountant.
2. Watch the videos on [www.CatholicEducationArizona.org](http://www.CatholicEducationArizona.org)
3. Stop by the school office.
4. Download a packet at [www.TakeTheCredit.org](http://www.TakeTheCredit.org)
5. [www.azdor.gov/About/FAQs/CharitableTaxCredit.aspx](http://www.azdor.gov/About/FAQs/CharitableTaxCredit.aspx)
6. [www.ibescholarships.org/](http://www.ibescholarships.org/) \*\*Recommended funds
7. [ctk-catholicschool.org/support/tax-credits/](http://ctk-catholicschool.org/support/tax-credits/)

### **How can I get my Employer to match my CEA donation?**

Many employers will match charitable donations to schools. This qualifies! Check with your HR office.

### **What is the deadline?**

December 31 if you also want a Federal Charitable Gift Deduction, **but April 15th** for the State credit.

*If you are interested in giving your child a quality Catholic education, and your child is not already enrolled in Catholic School, contact Christ the King at 480.844.4480 for more information.*

*Visit the school website at [www.CTK-CatholicSchool.org](http://www.CTK-CatholicSchool.org) or Facebook at [CTKSchoolMesa](https://www.facebook.com/CTKSchoolMesa)*