



Arizona Tax Credit Scholarship Program – Insurance Premium Tax

Through the Arizona Corporate Tax Credit Scholarship Program, your company can redirect up to 100 percent of its state insurance premium tax liability to the AAA Scholarship Foundation (AAA) so that we can fund K-12th grade scholarships for children to attend the school that best meets their educational needs – and your company will get a **dollar-for-dollar tax credit**.

How does it work?

Apply	Approve	Earn	Claim
Complete and return the application directly to AAA. AAA submits it to the AZ DOR. You may apply more than once for credits during the year for a maximum of 100 percent of your net state insurance premium tax.	The AZ DOR will process your request and send the approval letter to AAA. If the program cap has not been met, the AZ DOR will approve the request within 20 days*. AAA will send you a copy along with an invoice containing our remittance information.	Your company will have 20 days to remit payment to AAA in order to earn your approved tax credits. You can remit that amount directly to AAA via check, wire or ACH.	For insurance premium tax purposes, the remittance is treated as a credit against insurance premium tax. To claim the credit, your company must complete Form E-TC within Form E-TAX.

* It's important to remember that the approval process does not oblige you to remit the funds to AAA – it is merely a way for the DOR to ensure that the annual maximum in tax credits is not over-subscribed.

When can I apply?

We are currently accepting tax credit applications for 2023 tax credits. Each annual Arizona tax credit application season (“cap year”) opens on the first business day of July. The cap year will end when all of the credits are claimed, or the following June 30th, whichever occurs first. Please contact our office for a tax credit application.

How much is available?

2024-25 Cap Year

Approx. **\$135 Million** available for the Low-Income Tax Credit Scholarship Program

\$6 Million available for the Disabled/Displaced Tax Credit Scholarship Program

Unused Credits?

If your company determines that you have insufficient tax liability to take the full credit (amount remitted is greater than 100 percent of net tax liability), it may carry the credit forward for up to five years.



AAA Scholarship Foundation Inc. (AAA Scholarships) has earned the Platinum Nonprofit Seal of Transparency, the highest level of recognition offered by Candid, the world's largest source of nonprofit information.

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