



# Tax Credit Presentation

December 13, 2022

# Tax Credit Guidance

- Arizona Revised Statutes
  - ARS 43.1089.01
  - ARS 15-342 (24)
- Arizona Department of Revenue
  - Brochure 707
  - Guidelines for Public Schools



# ARS 43.1089.01 Tax Credit Contributions

Contributions are required to be paid to a  
“public school”

Contributions cannot be paid to a third  
party

Contributions cannot be refunded

# Who can tax credit funds be spent on?

Enrolled  
Students

Included in the  
District's ADM

K-12

Special Education  
Preschool



# ARS 43.1089.01-Allowable Expenses

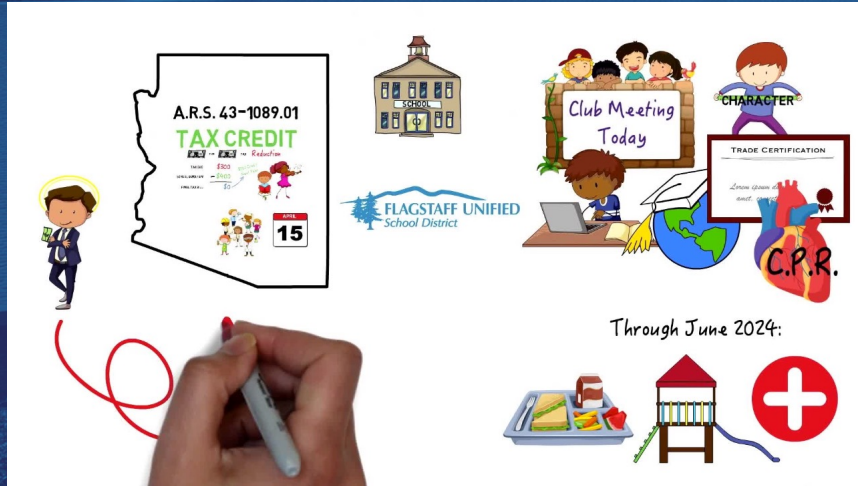
1. Extracurricular Activities (Field Trips, Sports, Fine Arts)
2. The career and technical education industry certification assessment
3. Student consumable health care supplies
4. Standardized Testing for college credit or readiness offered by a widely recognized and accepted educational testing organization
5. Character education programs
6. Preparation courses and materials for standardized testing
7. Cardiopulmonary resuscitation training pursuant to section 15-718.01
8. Capital Expenditures from June 2019 to June 2024

# What Is an Extracurricular?

In accordance with A.R.S. § 15-342(24) and § 43-1089.01(H)(3):		Yes	No
1.	Is the activity sponsored by the district/school?		
2.	Is the activity for enrolled students?		
3.	Is the activity optional?		
4.	Is the activity non-credit?		
5.	Does the activity supplement the district/school's educational program?		
6.	If an activity fee is charged, is it paid directly to the district/school? <sup>2</sup>		
7.	If an activity fee is charged, was the fee for this activity adopted by the Governing Board at a public meeting after notice to all parents of enrolled students?		
8.	If an activity fee is charged, has the Governing Board authorized the principal to waive all or part of the activity fee if it creates an economic hardship for a student?		



# Need More Information – How about a video?



[Click Here for English Video](#)



[Click Here for Spanish Video](#)

# How to contribute?

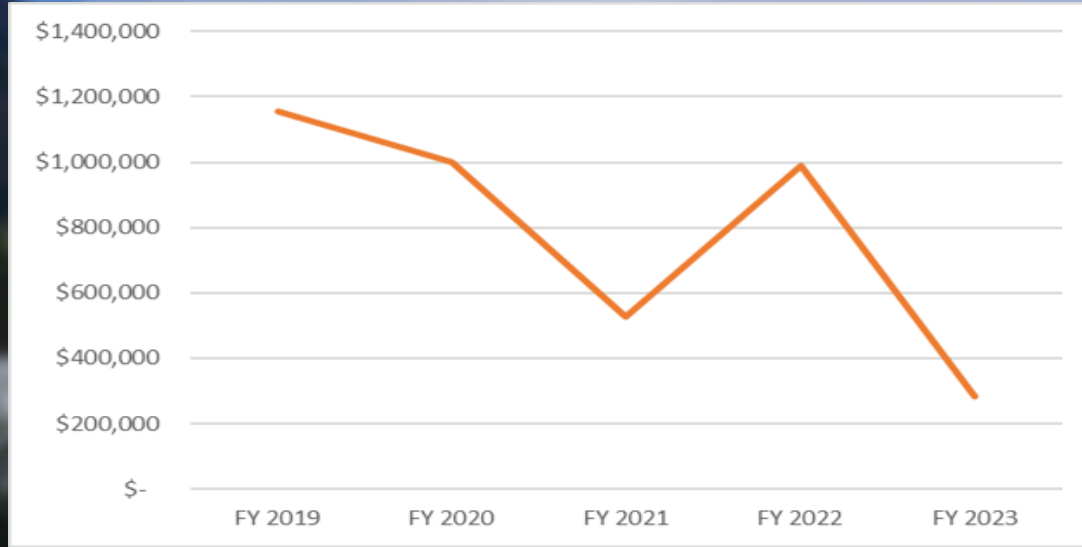
- FUSD Website
  - [Donate Online Here](#)
- Telephone
  - 928-527-6041
- Mail
  - Flagstaff Unified School District  
3285 E Sparrow Ave  
Flagstaff, AZ 86004



**When must  
a tax credit  
donation be  
received?**



# 5-Year Contribution History



FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
\$ 1,155,986	999,783.53	\$ 527,232	\$ 988,005	\$ 282,552



# What reporting requirements exist?

- Department of Revenue
- Audit

# Tax Credit Reminders

- Tax Credits are nonrefundable
- If a fee is waived, principal must find alternative funding
- For extracurricular activities, use the check list
- End of year celebrations, tourism, amusement activities are not eligible
- Questions? Contact the FUSD Business Office