



Arizona Tuition Organization

MAXIMUM CREDIT: TAX YEAR 2025

- \$3,062 - Married Couples
- \$1,535 - Single Taxpayers

COMPARE TAX LIABILITY TO TAX CREDIT(s)

Examine Line 48 on Arizona Form 140 for your tax liability. Most donors give less than this amount. However, if the donation exceeds the tax liability, the difference is carried over to the following year, for up to five years. If you donate to multiple types of tax credits, add together all of the tax credits, comparing it to your tax liability.

TAX PRO

As always, we recommend you consult with your tax advisor regarding your specific situation.

www.azto.org

Donation Examples for Tax Year 2025

Below are two examples of fictional donors making donations to AZTO and their tax situations.

Example 1 - Matt and Jody (AGI ~ \$160,000)

Matt and Jody are married and file their taxes jointly. They have withheld \$1,200 from their paychecks to pay for their Arizona Income Taxes. They correctly estimate that they have a tax liability of \$3,200. The following donations to AZTO will have the following results:

AZTO Tax Credit Donation	Tax Calculation (tax liability - withheld - donation =)	Taxes Owed or Refunded After AZTO Donation
\$0	\$3,200 - \$1,200 - \$0 =	\$2,000 Owe
\$1,000	\$3,200 - \$1,200 - \$1,000 =	\$1,000 Owe
\$2,000	\$3,200 - \$1,200 - \$2,000 =	\$0
\$3,062 Maximum	\$3,200 - \$1,200 - \$3,062 =	\$1,062 Refund

Example 2 - Jason (AGI ~ \$55,000)

Jason is single and files his taxes as an individual. He has withheld \$1,200 from his paycheck to pay for his Arizona Income Taxes. He correctly estimates that he has a tax liability of \$1,000. The following donations to AZTO will have the following results:

AZTO Tax Credit Donation	Tax Calculation (tax liability - withheld - donation =)	Taxes Owed or Refunded After AZTO Donation
\$0	\$1,000 - \$1,200 - \$0 =	\$200 Refund
\$200	\$1,000 - \$1,200 - \$200 =	\$400 Refund
\$500	\$1,000 - \$1,200 - \$500 =	\$700 Refund
\$1,535 Maximum	\$1,000 - \$1,200 - \$1,535 =	\$1,200 Refund + \$535 Carry Forward

Notice: A School Tuition Organization cannot award, restrict or reserve scholarships solely on the basis of 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.