

✘ **ARS 43-1072.01. Credit for increased excise taxes paid**

(Caution: 1998 Prop 105 applies)

A. Subject to the conditions prescribed by this section and if approved by the qualified electors voting at a statewide general election, for taxable years beginning from and after December 31, 2000 a credit is allowed against the taxes imposed by this chapter for a taxable year for a taxpayer who is not claimed as a dependent by any other taxpayer and whose federal adjusted gross income is:

1. Twenty-five thousand dollars or less for a married couple or a single person who is a head of a household.
2. Twelve thousand five hundred dollars or less for a single person or a married person filing separately.

B. The credit is considered to be in mitigation of increased tax rates pursuant to section 42-5010, subsection G and section 42-5155, subsection D.

**C. The amount of the credit shall not exceed twenty-five dollars for each person who is a resident of this state and for whom a personal or dependent exemption is allowed with respect to the taxpayer** pursuant to section 43-1023, subsection B, paragraph 1 and section 43-1043, **but not more than one hundred dollars for all persons in the taxpayer's household**, as defined in section 43-1072.

D. If the allowable amount of the credit exceeds the income taxes otherwise due on the claimant's income, the amount of the claim not used as an offset against income taxes shall be paid in the same manner as a refund granted under section 42-1118. Refunds made pursuant to this subsection are subject to setoff under section 42-1122.

E. The department shall make available suitable forms with instructions for claimants. Claimants who certify on the prescribed form that they have no income tax liability for the taxable year and who do not meet the filing requirements of section 43-301 are not required to file an individual income tax return. The claim shall be in a form prescribed by the department.

F. For taxable years beginning from and after December 31, 2002, a person who is sentenced for at least sixty days of the taxable year to the custody of the federal bureau of prisons, the state department of corrections or a county jail is not eligible to claim a credit pursuant to this section.

G. For taxable years beginning from and after December 31, 2014, any tax return or form prescribed by subsection E of this section must have:

1. A social security number that is valid for employment for the claimant.
2. Either a valid social security number or an individual taxpayer identification number issued by the internal revenue service for the claimant's spouse and any qualifying children of the claimant.