



Tax Credit Examples

Examples to help you understand how your donation relates to tax credit

State tax information	Jim & Melissa	Antonio & Carmen	Issa & Najuma	Ligaya	Max
2020 State-Capped Donation Amount	\$2365	\$2365	\$2365	\$1183.	\$1183
Status	Married	Married	Married	Single	Single
State Tax Liability	\$1800	\$1200	\$2000	\$675	\$900
Withholding Paid	\$1350	\$1350	\$2000	\$675	\$0
Net Tax Liability	\$450	(\$150)	\$0	\$0	\$900
Donation Amount	\$850	\$1100	\$2350	\$450.	\$500
Refund from AZ state	\$400.	\$1250	\$2000	\$450.	\$0
Taxes Due to AZ	\$0	\$0	\$0	\$0	\$400
Carry Forward	\$0	\$0	\$350	\$0	\$0

Jim & Melissa are married. Their tax liability is \$1800. They have withheld 1350. state tax this year from their paychecks. They still owe the state \$450. They donate 850. to AZ Adventist Scholarships. Their total paid amount is \$2200. (\$1350. to AZ and \$850. to AASI). Their tax liability is met for the year, and they should expect a refund from the state for \$400.

Antonio & Carmen are married. Their tax liability is \$1200. They have withheld \$1350. from their paychecks this year. They are already on track to receive \$150. refund from the state. They donate \$1100. to AZ Adventist Scholarships. They have now paid a total of \$2450. (\$1350. to AZ and \$1100. to AASI). They should expect a refund from the state for \$1250. (\$2450.- \$1200. = \$1250.)

Issa & Najuma are married. Their tax liability is \$2000. They have withheld exactly \$2000. from their paychecks this year. They have met their tax liability this year. They donate \$2350. to AZ Adventist Scholarships. They should expect a refund of \$2000. from the state. They can carry forward the unused \$350. credit to the next tax year. (\$2350.-\$2000.= \$350)

Ligaya is a single taxpayer. Her tax liability is \$675. She has withheld exactly \$675. from her paycheck, thus meeting her tax liability this year. She donates 450. to AZ Adventist Scholarships. She should expect a refund of \$450. from the state. (\$675.-\$675.= \$0.00 0.00 + \$450.= \$450.)

Max is a single taxpayer with a tax liability of \$900. He has paid nothing to the state this year. He donates \$500. to AZ Adventist Scholarships. At the end of the year his tax liability is \$400. This is what he still owes the state.

If you need further help in understanding how the tax credit program works, please consult a professional tax preparer.