

**FRANKLIN PHONETIC SCHOOL
TAX CREDIT DONATION
6116 EAST HIGHWAY 69
PRESCOTT VALLEY, AZ 86314**

Please accept my tax credit donation
in the amount of \$ _____ of
I understand a letter of
acknowledgement will be sent to me
for my 2012 tax return.

NAME: _____

ADDRESS: _____

CITY: _____

Arizona ZIP: _____

FRANKLIN PHONETIC SCHOOL

Home of the Falcons

NATIONAL BLUE RIBBON AWARD WINNER!

2012

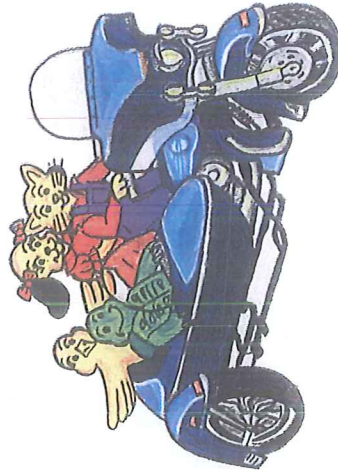
SCHOOL TAX CREDIT

The State of Arizona has authorized a tax credit for individuals to donate funds directly to schools. As a Public Charter School, donations of up to \$400 for a married couple, or \$200 for a person filing as single or head of household, can be made directly to Franklin Phonetic School for the tax year 2012.

The donations we receive help to support our many fine arts programs, including Beginning Band, Concert Band, Jazz Band, 3/4/5 grades Choir, Junior High Choir, and several levels of Drama.

Our Sports Program continues to be a success. We have joined with other Charter Schools in the area to form competitive teams in Flag Football, Volleyball, Cross Country Track, and Basketball.

Other donations help supplement the cost of field trips and special activities. Children who could not otherwise afford the minimal cost of an extracurricular activity are supported through the fund so that all



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86314
(928) 775-6747**

students can participate. Trips to the Nature Center, the Zoo, Sharlot Hall Museum, Montezuma's Castle and other local spots of study are arranged according to the curriculum at that grade level. Visits to the Hailey Heart Center and the Space Center are arranged for the older students.

In addition to having a fine music and drama program, Franklin Phonetic School has a high commitment to the visual arts. Funds from Tax Credit Donations have paid for needed equipment so that children can work on special art projects and participate in field trips to art exhibits and museums.

Who may claim these tax credits?

This credit is available only to individuals. Partnerships and S corporations cannot pass the credits through to their partners or shareholders. The credit is also not available to trusts, estates, regular corporations, or S corporations.

On the Arizona state income tax return, can a taxpayer claim both an itemized deduction and a tax credit for a contribution made to either a public school or a school tuition organization?

No. Any amount claimed as a tax credit cannot be taken as an itemized deduction. However, you may still claim any excess over the amount claimed as a credit as an itemized deduction as long as the contribution did not benefit your dependent.

Must a taxpayer have a child in school in order to claim one or both of these credits?

No.

Is a charter school considered to be a public school or a private school?

A charter school is defined in ARS §15-101 as a public school. Therefore, a charter school is eligible for the credit for contributions made or fees paid to a public school to support extracurricular activities or character education.

What is the maximum dollar amount of the credit?

The credit is equal to the amount on Line 30 of your Arizona Tax Return up to the allowable amount per taxpayer.

- For single taxpayers or heads of household, the credit cannot exceed \$200. For married taxpayers that file a joint return, the credit cannot exceed \$400 for tax year 2012 and subsequent years.

- If married taxpayers file separate returns, each spouse may claim 1/2 of the credit that would have been allowed on a joint return.

I never have to pay taxes. How does this program apply to me?

Everybody has state taxes withheld from their paycheck. The amount of withholding from your W2 and the amount of the tax credit is then deducted from the amount you still owe. You can

reduce the amount of your taxes withheld each paycheck to adjust the amount paid towards your tax amount at the end of the year.

By directing funds to the school tax credit program you are directing where your tax dollars are going instead of allowing the state to make the decision.

A copy of the Arizona Form 322 and a letter of "Thank You" will be sent by mail by the end of January, 2013 so that it can be used to accompany your 2012 tax return. This letter is your receipt.

We appreciate your support. In order to maintain Franklin Phonetic School's programs, your support through the Tax Credit Donation Program is vital.

Please fill in the attached form and bring it by the school office or mail it along with your donation to:

**FRANKLIN PHONETIC SCHOOL
TAX CREDIT DONATIONS
6116 EAST HIGHWAY 69
PRESCOTT VALLEY, AZ 86314**

**Donations must be received by
December 31st in order to be
credited to your 2012 tax return.**

***Thank you for your
generous support!***