

**A GUIDE TO THE  
ARIZONA CHARITABLE  
TAX CREDIT**



**Children's  
Clinics**

**2026 TAX SEASON**

# Introduction

Perhaps you've heard of the Arizona Charitable Tax Credit, but don't know what it does or how it works. That's okay. Most Arizona taxpayers do not know how to take full advantage of Arizona's state tax credits.

The state of Arizona provides a variety of individual tax credits, including the AZ Charitable Tax Credit. These tax credits allow taxpayers to make charitable contributions and receive dollar-for-dollar reductions in their Arizona state tax liabilities.

In this guide, you will learn more about eligible charity organizations and utilizing the AZ Charitable Tax Credit to your benefit.

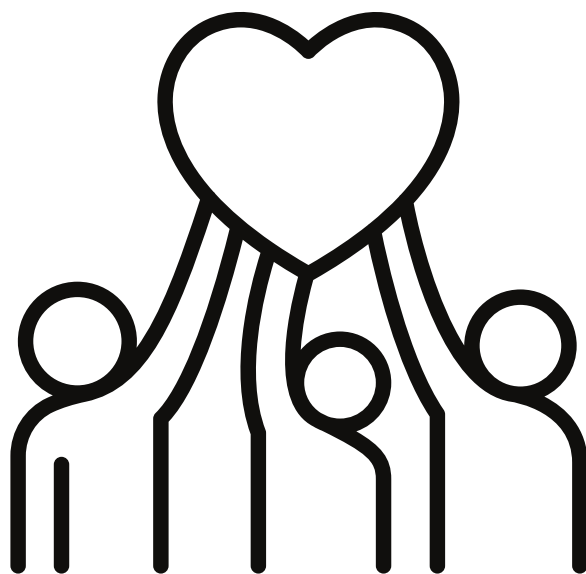


# Understanding the Arizona Charitable Tax Credit

The Arizona Charitable Tax Credit is a set of two nonrefundable individual income tax credits for charitable contributions to **Qualifying Charitable Organizations (QCOs)** and **Qualifying Foster Care Charitable Organizations (QFCOs)**.

The maximum allowable credit for contributions to **QCOs** is \$1009 for married filing jointly or \$506 for single, married filing separately, and heads of household filers. The maximum credit for contributions to **QFCOs** is \$1,262 for married filing jointly or \$632 for single, married filing separately, and heads of household filers.

These tax credits provide dollar-for-dollar tax benefits, allowing taxpayers to reduce their state tax liabilities for each dollar donated to charities up to the maximum allowable limits.



# Guidelines for the Arizona Charitable Tax Credit

Here are some general guidelines for using the Arizona Charitable Tax Credit. Please consult your tax advisor for advice on your specific tax situation.

- Donations must be made by individuals (corporations, foundations, partnerships, etc. do not qualify).
- Donations must be made in cash (property donations do not qualify, nor do in-kind donations such as toys, books, and services).
- Donations must be made to **Qualified Charitable Organizations (QCOs)** or **Qualifying Foster Care Charitable Organizations (QFCOs)** that have been certified by the state of Arizona; gifts to noncertified charities are *not* eligible for the AZ Charitable Tax Credit.
- Credits that are not applied to tax obligations for the current tax year may be carried forward to future tax years. Please check with your tax professional about your eligibility.

**THE ARIZONA CHARITABLE TAX CREDIT GIVES  
TAXPAYERS MORE CHOICE IN HOW THEIR TAX  
DOLLARS ARE ALLOCATED**

# How to Document Your Donation and Claim Your Tax Credits

Fortunately, the process for making a charitable contribution and claiming the Arizona Charitable Tax Credit is relatively straightforward. There are four steps to document your donation and claim your tax credit.

1. Donate to a certified charitable organization (QCO or QFCO), such as **Children's Clinics**.
2. Maintain a receipt of your gift from the charity to provide a copy with your tax return. (If you misplace your donation receipt from **Children's Clinics**, contact us, and we will provide another copy.)
3. Complete the relevant tax form to claim one or more credits for your gift(s): **Arizona Form 321 for gifts to QCOs, and/or Arizona Form 352 for gifts to QFCOs**.
4. Calculate your individual tax return (e.g. Arizona form 140, 140 X&Y Tables or 140X), subtracting your tax credits from your tax liability, in order to reduce your Arizona state tax balance. Include either Arizona Form 321, or Arizona 352, or both with your return. OR, give your gift receipt to your tax professional.

*For example, if a single individual owes \$1,000 in Arizona state taxes but donates \$506 to Children's Clinics (a QCO), their tax liability is reduced to \$494.*

# Limits to the Arizona Charitable Tax Credit

## What is the maximum allowable credit?

The maximum allowable credit for contributions to **QCOs** for single taxpayers, married filing separately, or head of household filers is \$506; for married couples filing together, the maximum credit is \$1009. And to recap, the maximum credit for contributions to **QFCOs** for single taxpayers, married filing separately, or heads of households filers is \$632; for married couples filing together taxpayers, the maximum credit is \$1,262.

## Is there a minimum dollar requirement for the credit?

Donors often wonder whether they can receive tax credits under the Arizona Charitable Tax Credit for smaller gifts, especially when they want to support a charity but are not able to donate hundreds of dollars. To clarify, **there is no minimum dollar requirement** for the Arizona Charitable Tax Credit. A single taxpayer can make a \$5 donation, record this gift on Arizona Form 321, and receive a tax credit in the amount of \$5 from the state of Arizona.



# WHAT IS

## A Qualified Charitable Organization (QCO)?


Per the Arizona Department of Revenue, a QCO provides immediate basic needs to residents of Arizona who receive temporary assistance for needy families (TANF) benefits, are low-income residents of Arizona, or are individuals who have a chronic illness or physical disability.

A QCO must meet ALL of the following provisions:

- Is exempt from federal income taxes under Section 501(c)(3), or is a designated community action agency that receives community services block grant program monies pursuant to 42 United States Code Section 9901.
- Provides services that meet immediate basic needs.
- Serves Arizona residents who receive temporary assistance for needy families (TANF) benefits, are low-income residents whose household income is less than 150 percent of the federal poverty level, or are chronically ill or physically disabled individuals.
- Spends at least 50% of its budget on qualified services to qualified Arizona residents.
- Affirms that it will continue spending at least 50% of its budget on qualified services to qualified Arizona residents.

The QCO organizations listed in the Arizona Tax Credit Giving Guide have chosen the following categories to best describe the programs they offer the community:

- Cancer Support
- Domestic Violence
- Family Assistance
- Food Bank
- Healthcare
- Housing Support
- Senior Services
- Special Needs
- Therapeutic Services
- Youth Development



## Children's Clinics is a Qualifying Charitable Organization (QCO)

The Arizona Charitable Tax Credit is meant to provide taxpayers with a mechanism for supporting charities that provide services to low-income residents with chronic illnesses or disabilities. For that reason, **Children's Clinics** is certified as a Qualifying Charitable Organization.

**Children's Clinics** is a pediatric outpatient center providing medical care and social services to children and families living with complex pediatric illnesses such as spina bifida, cerebral palsy, muscular dystrophy, and many others. Furthermore, 85% of patient families at Children's Clinics receive healthcare coverage via the Arizona Health Care Cost Containment System (AHCCCS).

The mission of **Children's Clinics** is to provide a family-centered, comprehensive medical home to meet the special needs of children and families in southern Arizona.

**READY, SET, GO!**

**Now, it's your turn. It's time to take the information you've learned and donate to a state-certified charitable organization of your choice, and control how a portion of your tax dollars are spent!**

# When Should I Donate?

There are several options of when you can donate. We've listed the methods for you below and it is up to you to choose the best one to suit your needs.

## End-of-the-Year Planning

Giving your gift to **Children's Clinics** by the end of 2026 will guarantee that you will receive your tax receipt to provide it to your tax professional, or for you to file.

## By the Tax Deadline

If you make your donation by Wednesday, April 15, 2027, you will still receive a tax credit for your 2026 Arizona state tax filing. Make sure that you fill out Arizona form 321 when filing with the state and send in your receipt.

## Spread Your Gift Over the Year

Rather than paying one lump sum, you may spread your donation throughout the year with monthly automatic payments. Not only is this easy and convenient, you will feel confident knowing you've receive your tax credit for the year!



[DONATE](#)

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