

For the calendar year 2012 or  
fiscal year beginning [MM|D|D|Y|Y|Y|Y] and ending [MM|D|D|Y|Y|Y|Y].

Attach to your return.

Name(s) as shown on Form 140, 140PY, 140NR, 140X, 120, 120A, 120S, 120X, or 165	Social security or employer identification number
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**Enterprise Zone Credit for Qualified Employment Positions**

See instructions regarding Arizona Commerce Authority certification before claiming this credit.

**Part I Business Information**

1 Business name.....	1	
2a Business location address.....	2a	
2b Business location in former enterprise zone (list name of former enterprise zone) .....	2b	
3 Employer identification number .....	3	

4 Retail sales. Does more than 10 percent of the business conducted at the location consist of retail sales of tangible personal property?  
**See instructions before answering this question.**  Yes  No

If the answer to this question is yes, the business is not eligible for the enterprise zone credit for qualified employment positions.

5 Arizona residency. Are all of the employees in qualified employment positions Arizona residents?  
**See instructions before answering this question.**  Yes  No

If the answer to this question is no, the business is not eligible for an enterprise zone credit for those qualified employment positions filled by employees who are not Arizona residents.

**Part II Credit Calculation for Qualified Employment Positions**

	(a) Number of qualified employment positions	(b) Qualifying wages	(c) %	(d) Allowable credit
6 Employees in the second year of continuous employment in a qualified employment position			33 1/3%	
7 Employees in the third year of continuous employment in a qualified employment position			50%	
8 Totals				

**Part III Limited Liability Companies**

9 What is the federal tax classification of the limited liability company (LLC)? Check only one box.

- S corporation     partnership     disregarded entity     corporation

If the LLC is an S corporation, complete Part IV.

If the LLC is a partnership, complete Part V.

**Part IV S Corporation Credit Election and Shareholder's Share of Credit**

10 The S corporation has made an irrevocable election for the taxable year ending MM DD YYYY to:

**(CHECK ONLY ONE BOX)**

- Claim the enterprise zone credit as shown on Part II, line 8, column (d) (for the taxable year mentioned above);

**OR**

- Pass the enterprise zone credit as shown on Part II, line 8, column (d) (for the taxable year mentioned above) through to its shareholders.

Signature \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

If passing the credit through to the shareholders, complete lines 11 through 13 separately for each shareholder.

Furnish each shareholder with a copy of pages 1, 2 and 3 of Form 304.

11 Name of shareholder \_\_\_\_\_

12 Shareholder's TIN \_\_\_\_\_

13 Shareholder's share of the amount on Part II, line 8, column (d) ..... 13 

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**Part V Partner's Share of Credit**

Complete lines 14 through 16 separately for each partner.

Furnish each partner with a copy of pages 1, 2 and 3 of Form 304.

14 Name of partner \_\_\_\_\_

15 Partner's TIN \_\_\_\_\_

16 Partner's share of the amount on Part II, line 8, column (d) ..... 16 

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**Part VI Available Credit Carryover**

	(a)	(b)	(c)	(d)	(e)	(f)
17 Taxable year						
18 Original credit amount						
19 Amount previously used						
20 Tentative carryover - <i>subtract line 19 from line 18</i>						
21 Amount unallowable - <i>See instructions</i>						
22 Available carryover - <i>subtract line 21 from line 20</i>						
23 Total available carryover						

**Part VII Total Available Credit**

24 Current year's credit for qualified employment positions.

Individuals, corporations, or S corporations - *enter the amount from Part II, line 8, column (d).*

S corporation shareholders - *enter the amount from Part IV, line 13.*

Partners of a partnership - *enter the amount from Part V, line 16* .....

25 Available credit carryover - *from Part VI, line 23, column (f)* .....

26 **Total available credit.** *Add lines 24 and 25. Corporations and S corporations - enter total here and on Form 300, Part I, line 1. Individuals - enter total here and on Form 301, Part I, line 1* .....

<b>24</b>		00
<b>25</b>		00
<b>26</b>		00

**Form 304-1 (2012) Employees at Former Enterprise Zone Location**

Complete a Form 304-1 for each employee at the former enterprise zone location hired before July 1, 2011, whether or not the employee is in a qualified employment position. See instructions for Form 304-1 (included with Instructions for Form 304, page 2) about providing the requested information in an alternative format.

1 Employee name \_\_\_\_\_

2 Employee's taxpayer identification number (TIN) \_\_\_\_\_

3 Employee's residence address \_\_\_\_\_

4 What year is this employee?  Second  Third  Fourth or more

5a Is the residence address listed on line 3 inside or outside of a former enterprise zone that is located in the same county in which the business is located?  inside  outside

5b If the answer on line 5a is inside, list the name of the former enterprise zone in which the employee's residence address is located

\_\_\_\_\_

6 Employee's residence address AT DATE OF HIRE

\_\_\_\_\_

7a Is the residence address listed on line 6 inside or outside of a former enterprise zone that is located in the same county in which the business is located?  inside  outside

7b If the answer on line 7a is inside, list the name of the former enterprise zone in which the employee's residence address was located

\_\_\_\_\_

8 Current date of employment \_\_\_\_\_

9a If employee was previously employed by the business, list the previous date of employment. (See instructions.)

\_\_\_\_\_

9b If employee was previously employed by the business, list the date of separation \_\_\_\_\_

10a Is the employee in a permanent full time position?  Yes  No

10b If the answer to line 10a is yes, list the number of hours the employee actually worked during the taxable year (see instructions) \_\_\_\_\_

11a Employee's annual compensation for the taxable year \$ \_\_\_\_\_

11b Employee's hourly wage \$ \_\_\_\_\_ /hour

12a Total cost of health insurance provided by employer for employee. (See instructions.) \$ \_\_\_\_\_

12b Total cost of health insurance for employee paid by employer. (See instructions.) \$ \_\_\_\_\_

13a Has this employee been substituted for another employee in a qualified employment position?  Yes  No

13b If answer on line 13a is yes, list the date of substitution \_\_\_\_\_ and indicate whether the individual is a second year employee or a third year employee. See instructions before answering this question.

**Check only one box.**  second year employee  third year employee

Former enterprise zone name: \_\_\_\_\_ Former zone location address: \_\_\_\_\_

If the business has more than 7 employees in qualified employment positions, complete additional Form(s) 304-2.		(b)			(c)	(d)			(e)
		Check the appropriate box. This employee is a:			Wages paid to this employee during the current taxable year	Maximum allowable wages: Enter the lesser of column (c) or the maximum allowed below.			Limitation on total number of credits is 200 QEPs per taxpayer each year. See instructions before checking this box.
(a)	1st year employee (b)1	2nd year employee (b)2	3rd year employee (b)3	year 1 \$2,000 (d)1		year 2 \$3,000 (d)2	year 3 \$3,000 (d)3		
1									
2									
3									
4									
5									
6									
7									
8	<b>Total - Add lines 1 through 7, including only lines with checkmarks in column (e). Enter the total here.</b>								

Name: \_\_\_\_\_

TIN: \_\_\_\_\_