



Private School  
**TUITION FUND 123**  
PSTF123.org

## FAQ - Individual Donor Withholding Tax Reduction

### ***How this works, Step-by-Step:***

#### ***Contribute Your State Income Tax Without Affecting Your Take Home Pay check!***

Arizona's withholding tax reduction law ([A.R.S. 43-401](#)) allows individuals to authorize their employer to send their state withholding tax amount to PSTF123, this is considered a **dollar-for-dollar tax credit donation!** It will be the same as if you made your tax credit donation in one lump sum, this enables you to donate smaller amounts throughout the year, **without affecting your take-home income.**

You can donate to pstf123 through your Arizona state tax withholdings with a simple process.

1. Check with your employer to see if they are willing to provide this benefit.
2. Fill out a withholding income tax pledge form and mail or email it to PSTF123.
3. PSTF123 will return an Authorization Form within one business week. Review the form and fill any related information. Sign and give pages three and four to your employer.
4. Your employer, if they agree to participate, will reduce your state tax withholdings per pay period and will send that amount to PSTF123 on your behalf (rather sending it to the state).

Once it is set up, donations are automatic for the rest of the year, and will automatically stop once your donation limit is reached (a limit you indicate on our pledge form). For detail please refer to [A.R.S. 43-401G](#) on [www.AZDOR.GOV](#)

**NOTE:** A school tuition organization cannot award, restrict, or reserve scholarships only on the basis of a donor's recommendation. A taxpayer may not claim a tax credit if the taxpayer agrees to swap donations with another taxpayer to benefit either taxpayer's own dependent. A.R.S. 43-1603 (C). Any designation of your own dependent as a potential recipient is prohibited.

Private School Tuition Fund 123 (PSTF123) is a tax-exempt charitable organization pursuant to federal law, Section 501 (C)(3).

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