

# Arizona Tax Recovery Program

## *Minimize Your Penalties and Interest*

By **Melinda Nelson, CPA**  
(480) 839-4900 ~ MelindaN@hhcpa.com



Few things make your hair stand on end more than knowing you owe taxes! In fact, some people become so frightened they decide NOT to pay. That, of course, leads to a whole other heap of trouble. Fear not, though. There is relief in sight for Arizona taxpayers. If you owe money to the State of Arizona, you can minimize the amount due by taking advantage of a new tax recovery program.

### **How does the program work?**

The program for the Arizona Department of Revenue is underway right now and lasts until November 2. It's the creation of Senate Bill 1471, passed earlier this year. All taxpayers who meet the application requirements will be eligible to have the interest and civil penalties associated with their tax liabilities waived for any annual period ending before January 1, 2014 and February 1, 2015 for all monthly and quarterly filers. The amnesty program applies to all taxes and surcharges administered or collected by the Department including individual and corporate taxes and transaction privilege (TPT) tax. The program does not apply to the interest and penalties for withholding tax, property tax or luxury tax. Taxpayers who apply will not, however, be eligible for any refunds or credits that would reduce their tax liability for the taxable years to which they are applying.

### **Who is eligible?**

To be eligible for amnesty:

- Taxpayers cannot be under criminal investigation as of January 1, 2015 for failing to file or pay taxes or for fraud.
- Taxpayers cannot have been convicted of a crime in conjunction with the penalties or interest for which they are seeking amnesty.
- Taxpayers cannot have been convicted, entered a guilty plea or a plea of no contest in a past tax-related criminal investigation, indictment or prosecution.
- Taxpayers cannot be involved in a closing agreement with the Arizona Department of Revenue for the tax periods for which they are seeking amnesty.

## How to apply

You can apply for the amnesty program in a few simple steps.

**Fill out an application.** The form is available on the Arizona Department of Revenue website [here](#). Be sure to include any returns and reports for the taxable period for which you are applying. If you have insufficient information to complete a full income tax return, you may qualify by completing a gross income tax return.

**Include the most recent notices or other related documentation.** You'll want to do this if you already have an established tax liability.

**File during the amnesty period and include payment of the tax owed.** The ADOR must receive the application and tax payments by November 2, 2015.

Additional information is available on the ADOR website in the Tax Recovery section at [www.azdor.gov/TaxRecovery.aspx](http://www.azdor.gov/TaxRecovery.aspx).

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**Melinda Nelson, CPA, is a Senior Manager with Henry & Horne, LLP. Her areas of specialization include tax issues for estates, trusts and closely held businesses and their owners. She can be reached at (480) 839-4900 or [MelindaN@hhcpa.com](mailto:MelindaN@hhcpa.com).**



**Tempe**  
2055 E. Warner Road  
Suite 101  
Tempe, AZ 85284  
(480) 839-4900

**Scottsdale**  
7098 E. Cochise  
Suite 100  
Scottsdale, AZ 85253  
(480) 483-1170

**Casa Grande**  
1115 E. Cottonwood  
Suite 100  
Casa Grande, AZ 85122  
(520) 836-8201