



2023 Individual Income Tax General Welfare Rebate (Arizona Family Tax Rebate)

We wanted to pass along some information to you regarding the Arizona Families Tax Rebate. Beginning October 15, 2023, through November 15, 2023, Arizona will begin paying this onetime individual income tax general welfare rebate to taxpayers who filed a 2021 full-year resident return, claimed a dependent credit on that return and meet one of the following qualifications:

- Had a tax liability of at least \$1 on the filed full-year resident tax return for taxable year 2021.
- If the taxpayer does not meet the tax liability requirement for taxable year 2021 but filed a full-year resident tax return for taxable year 2020 under the identical filing status used on the taxpayer's taxable year 2021 full-year resident tax return and had a tax liability of at least \$1 on the full-year resident tax return for taxable year 2020.
- If the taxpayer does not meet the tax liability requirement for taxable years 2021 or 2020 but filed a full-year tax return for taxable year 2019 under the identical filing status used on the taxpayer's full-year resident tax returns for years 2020 and 2021 and had a tax liability of at least \$1 on the full-year resident tax return for taxable year 2019.

The Arizona Department of Revenue (ADOR) will calculate and issue the rebates using the following rules:

- \$250 for each dependent tax credit claimed on the taxpayer's full-year resident tax return for taxable year 2021 who was under the age of seventeen.
- \$100 for each dependent who was at least seventeen years of age at the end of taxable year 2021.
- A rebate will be issued for a maximum of three dependents for a qualifying taxpayer, first calculating the dependents for tax year 2021 under the age of seventeen, and then only if additional dependents can be claimed to meet the maximum number will dependents who were at least seventeen years of age at the end of taxable year 2021.

As the Legislature classifies this a "general welfare" rebate, the IRS is being asked to treat these payments a non-taxable to taxpayers.

Watch your bank accounts and/or mail, as ADOR will attempt to pay a qualifying taxpayer's rebate by electronic funds transfer using the information from the taxpayer's 2021 full-year resident tax return or more recent account information provided by the taxpayer. If the attempt to electronically deposit the funds fails, or if taxpayer did not provide this account information, ADOR will issue the rebate check by mail to the most recent home address.

Taxpayers who do not receive their rebate will be able to file a separate refund claim with the Arizona Department of Revenue, but will have to wait until after November 15, 2024, to do so. At that time taxpayers should visit the [ADOR website](#) for more details.