

Return all reports and documentation to:  
 Healthy Forest Enterprise Incentives Program  
 Arizona Commerce Authority  
 333 N. Central Avenue, Suite 1900  
 Phoenix, AZ 85004  
 Questions regarding Healthy Forest Incentives can  
 be directed to [michelle@azcommerce.com](mailto:michelle@azcommerce.com)

**Arizona Commerce Authority  
 HEALTHY FOREST ENTERPRISE INCENTIVES PROGRAM**

**ANNUAL REPORT**  
 (For tax incentives under A.R.S. § 41-1516)

**This Annual Report must be filed with the Arizona Commerce Authority on or by March 1<sup>st</sup> of each year** following any year in which a tax incentive was received. Failure to timely report may result in termination, revocation or recapture of incentives already earned.

**Section A. Business Information**

Business Name	_____		
Mailing Address	_____	NAICS #	_____
City/State/Zip	_____	FEI Number	_____
Contact Name	_____	Business Phone	_____
Email Address	_____	Business Fax	_____

**Section B. Incentives Received**

- Did the business receive a **transaction privilege tax exemption on the purchase of equipment** in the previous calendar year? \_\_\_\_\_ Yes \_\_\_\_\_ No  
 If yes, state the amount of the tax savings. \$ \_\_\_\_\_
- Did the business receive a **transaction privilege tax exemption on the lease or rental of equipment** in the previous calendar year? \_\_\_\_\_ Yes \_\_\_\_\_ No  
 If yes, state the amount of the tax savings. \$ \_\_\_\_\_  
 If yes, state the amount of the tax savings. \$ \_\_\_\_\_
- Did the business receive a **use tax exemption on equipment purchased out-of-state** in the previous calendar year? \_\_\_\_\_ Yes \_\_\_\_\_ No  
 If yes, state the amount of the tax savings. \$ \_\_\_\_\_
- Did the business receive **reclassification on real or personal property** in the previous calendar year? *(If yes, please answer the following:)* \_\_\_\_\_ Yes \_\_\_\_\_ No  
 State the amount of the tax savings as a result of the reclassification. \$ \_\_\_\_\_  
 What were the savings on real property tax? \$ \_\_\_\_\_  
 What were the savings on business personal property tax? \$ \_\_\_\_\_
- Did the business claim **new job income tax credits** in the previous **tax year**? \_\_\_\_\_ Yes \_\_\_\_\_ No

**If YES to question 1, 2 or 3**, please attach the "TPT & USE Tax Equipment Schedule."  
**If YES to question 4**, please attach the "Property Reclassification Equipment Schedule" and contact the appropriate county assessor by December 10<sup>th</sup> of each year the business wants it property reclassified.  
**If YES to question 5**, please attach the "New Job Income Tax Credit Schedule" and the "Employee Schedule". Note: to claim a credit the business must file "Form 332" with the Arizona Department of Revenue.



**Section C. Project Information**

Was the business primarily engaged in qualifying projects? \_\_\_\_\_ Yes \_\_\_\_\_ No

What percentage of the total business activities were \_\_\_\_\_ %

Please provide information for all projects, regardless of eligibility, in which the business was engaged during the certification period during the previous calendar year. Use an attachment if more space is needed. **If a project was completed** during the previous calendar year, please attach the letter or approved work order from the forester as provided by A.R.S. § 41-1516 (B). **If a project has been extended** due to weather or environmental conditions please attach a copy of the letter from the business to the forester in which an extension was requested or a copy of the letter from the forester granting the extension. (Attach a separate sheet if more space is needed.)

Contract #	Description of activities completed under the contract	List the % of weight in tons of qualifying forest product by weight that was:		List the % of:	
		Harvested or processed.	Harvested in Arizona.	Product transported that was harvested in Arizona.	Miles transporting forest products from and to projects.

**Section D. Supporting Information**

What was the Arizona gross payroll (excluding benefits) for the business during the previous calendar year? \$ \_\_\_\_\_

What was the Arizona average hourly wage paid to employees during the previous calendar year? \$ \_\_\_\_\_

Did the business provide health insurance to full-time employees during the previous calendar year? \_\_\_\_\_ Yes \_\_\_\_\_ No

**If YES**, what percentage did the business pay? \_\_\_\_\_ %

Please list the current number of full-time employees. \_\_\_\_\_

In the Memorandum of Understanding the business stated employment goals for this taxable year. Please indicate how the above employment data relate to the employment goals established, e.g., met them, exceeded them, failed to meet them because.... (Attach a separate sheet if more space is needed.)

What was the investment in fixed assets made by the business during the previous calendar year?

Buildings/Land \$ \_\_\_\_\_

Equipment/Machinery \$ \_\_\_\_\_

Total \$ \_\_\_\_\_



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**Section E. Program Evaluation**

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How important a factor was the Healthy Forest program in the decision to locate or expand or remain in Arizona?

- \_\_\_\_\_ Very important
- \_\_\_\_\_ Important
- \_\_\_\_\_ Not important

If a new Healthy Forest company was started, how important a factor was the Healthy Forest program in the decision to start up in Arizona?

- \_\_\_\_\_ Very important
- \_\_\_\_\_ Important
- \_\_\_\_\_ Not important

Please share comments regarding your experience with the Healthy Forest Enterprise Incentives Program:

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**Section F. Affidavit**

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I, as an officer of the business, certify under penalty of perjury that the information contained herein is true and correct according to my best belief and knowledge after a reasonable investigation of the facts.

- The business was primarily engaged in a qualifying project as described in A.R.S. § 41-1516 (B) (1);
- The business operations enhance or sustain forest health, sustain or recover watershed or improve public safety;
- The business shall allow inspections and audits by the Arizona Commerce Authority as are reasonably necessary to verify the accuracy of the submitted information;
- The business agrees to retain copies of all required information relating to the qualified projects;
- The business agrees to submit a Recertification Application 30 days prior to expiration of each certification;
- The business agrees to file an Annual Report on or by March 1<sup>st</sup> of each year on all business activities during the certification period during the previous calendar year; and
- The business agrees to file an Annual Report on or by March 1<sup>st</sup> of the year following any year in which a tax incentive was received.
- Is registered with and is participating in the E-Verify program pursuant to A.R.S. § 23-214(B) <http://www.uscis.gov/portal/site/uscis>
- Hereby certifies that the applicant does not have scrutinized business operations in Iran, in accordance with A.R.S. § 35-393 et seq; and
- Hereby certifies that the applicant does not have scrutinized business operations in Sudan, in accordance with A.R.S. § 35-391 et seq.

\_\_\_\_\_  
Signature of Authorized Officer

\_\_\_\_\_  
Title

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date



Healthy Forest Enterprise Incentives  
**NEW JOB INCOME TAX CREDIT SCHEDULE**

► See the Program Guidelines for New Job Income Tax Credit requirements and limitations.

Business Name \_\_\_\_\_

Tax year \_\_\_\_\_ Fiscal Year End \_\_\_\_\_

In which of the following tax years did the business claim an income tax credit on a first year employee? (Circle all that apply.)

2005      2006      2007      2008      2009      2010      2011      2012      2013      2014

Calculate the average net new employment number using the following table. **Include only full-time employees who were employed at least 90 days during the taxable year.** If an employee worked on multiple projects sum the number of days for all projects to determine the length of employment. Credits are not allowed for leased or contract employees or for employees acting as independent contractors.

Companies filing a combined or consolidated tax return are considered to be one taxpayer. **Limitations such as the 200 maximum qualified employment positions in a tax year apply to the combined or consolidated group.** Taxpayers filing combined or consolidated returns that aggregate more than 200 new qualified employment positions for the tax year shall adjust the number of employees for whom credits are claimed at each business to ensure the 200 limit is not exceeded. **Refer to the Arizona Department of Revenue Form 332 for further information.** Additionally, Corporate Tax Ruling CTR 02-5 and Partnership Tax Ruling PTR-02, while specifically addressing the Enterprise Zone Program, provide some general guidelines that apply to the Healthy Forest Enterprise Incentives Program.

To claim the credit a business must attach a copy of the Arizona Commerce Authority "Letter of Certification" to the Arizona Department of Revenue "Form 332" when filing the Arizona tax return. The statute requires that a tax credit can be claimed only if filed on or by the due date of the tax return including extensions.

**Worksheet for Net Increase in Employees**

	# Of full-time Employees in Previous Taxable Year	# Of full-time Employees in Current Taxable Year
1. January		
2. February		
3. March		
4. April		
5. May		
6. June		
7. July		
8. August		
9. September		
10. October		
11. November		
12. December		
13. Total (lines 1-12)		
14. Total # of months during the taxable year in which you were in business.		
15. Average (Divide # on line 13 by the # on line 14. Do not round)	(A)	(B)



Healthy Forest Enterprise Incentives  
NEW JOB INCOME TAX CREDIT SCHEDULE

► See the Program Guidelines for New Job Income Tax Credit requirements and limitations.

Business Name \_\_\_\_\_

Tax year \_\_\_\_\_ Fiscal Year End \_\_\_\_\_

**1. Net Increase in Employees in the Tax Year**

Subtract 15(B) from 15(A) above. **Write remainder here.** If number is less than one, enter zero. If amount contains a decimal, round down to the next whole number. If line 1 equals zero or a minus number, you are not eligible for any first year tax credits. **If line (A) and line (B) are less than 3, you are not eligible for any first year tax credits.** \_\_\_\_\_

**2. New Qualified Employment Positions Created**

Enter the number of qualified employment positions created during the taxable year. *Count only full-time positions filled at least 90 days and paying at or more than the “wage offer by county” and meeting the health insurance requirements for employees paid by employer. See Program Guidelines for listing of wage offers. “New” means not employed within the preceding 12 months. **If this line is less than 3, you are not eligible for any first year tax credits.*** \_\_\_\_\_

**3. Maximum Number Eligible for Credits**

Maximum number of new qualified employment positions for which the employer may claim credits. **Enter the smaller of line 1 or line 2.** \_\_\_\_\_

**4. Estimated Number and Dollar Amount of Credits Claimed, Used and Carried Forward**

	Number	Dollar Amount
a. Qualified Employment Positions for which business is claiming <b>first year</b> tax credits this year. <i>(Enter the smallest of 200 or line 3 and the total dollar amount of credits claimed.)</i>	_____	\$ _____
b. Qualified Employment Positions for which business is claiming <b>second year</b> tax credits this year. <i>(Limited to positions for which first year credits were claimed on an original return, not an amended return.)</i>	_____	\$ _____
c. Qualified Employment Positions for which business is claiming <b>third year</b> tax credits this year. <i>(Limited to positions for which first and second year credits were claimed on an original return, not an amended return.)</i>	_____	\$ _____
d. <b>Total</b> amount of tax credits claimed this year.		\$ _____
e. Enter the <b>estimated</b> amount of tax credits to be used in this tax year to offset tax liability.		\$ _____
f. Enter the estimated amount of tax credits available for carry forward in all tax years. <i>(Prior years’ carry forward plus credits earned this year minus any credits <u>used</u> this year.)</i>		\$ _____







