

HELPFUL 2012 TAX FILING INFORMATION
GEORGIA QUALIFIED EDUCATION EXPENSE CREDIT (SSO CREDITS)

Below are general guidelines for utilizing your 2012 Tax Credit. Every tax filing may be different based on your personal tax situation, please contact your tax advisor related to your particular tax requirements.

- 1) **FORM IT-QEE-SSO1 –FAITH FIRST GA, Inc.** previously sent you Form IT-QEE-SSO1 to acknowledge your contribution. Attach this form to GA Form 500 Tax Return. If you file electronically, retain a copy for your records.
- 2) **FORM IT-QEE-TP2 –** a copy of Georgia Form IT-QEE-TP2, Qualified Education Expense Credit Contribution, must be completed by you and attached to GA Form 500 Tax Return or transmitted with an electronically filed return. The form is available at https://etax.dor.ga.gov/inctax/2011_forms/TSD_HB-1133_FORM_IT-QEE-TP2.pdf
- 3) **FORM 500 – GEORGIA INCOME ADJUSTMENT –** If you itemized your deductions for federal income tax purposes, you should have claimed a charitable contribution deduction for your donation to Georgia Faith First (Federal 1040, Schedule A). Because you are receiving a Georgia Income Tax Credit for this contribution, in order to prevent a double benefit, you need to increase your Georgia taxable income for the amount deducted as a charitable contribution on your federal return. (Please note that this amount will not be the same amount that you donated if your federal itemized deductions were limited due to your adjusted gross income.) The amount of the increase to Georgia taxable income is reported on Page 4, Schedule 1, Line 4 as “Other” with QEE Credit for the description. The total of all additions and subtractions to Georgia taxable income per Line 12 on Schedule 1 is then reported on Page 2, Line 9.
- 4) **FORM 500 – Credit –**
 - a) **Individuals -** If you are claiming the Qualified Education Expense Credit as an individual, the credit amount should be entered on Page 5, Schedule 2, Line 4 of the Form 500.
 - b) If the amount of your credit is being allocated to you through your ownership interest in a pass-through entity (sole proprietorship, S-Corp, LLC, or partnership), the credit is reported on Page 5, Schedule 2, Line 6. You will need to enter the name of the pass-through entity, the number 125 as the credit code type, the percentage of your ownership interest, the federal employer ID# of the entity, and the amount of the credit which you are claiming.
 - c) For both individuals and pass-through entities, the total of all Georgia credits is reported on Schedule 2, Page 5, Line 12 and entered on Page 2, Line 17. Note that the amount of the credit may not be greater than the tax shown on Page 2, Line 16. Amounts that cannot be taken as credit in 2012 may be carried forward for up to five years.