## Qualified Electric Vehicle Credit

### Part I  Tentative Credit

<table>
<thead>
<tr>
<th></th>
<th>(a)</th>
<th>(b)</th>
<th>(c)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Cost of vehicle</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Section 179 expense deduction. See instructions</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Subtract line 2 from line 1</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Multiply line 3 by 10% (.10)</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Limitation per vehicle</td>
<td>5</td>
<td>4,000</td>
</tr>
<tr>
<td>6</td>
<td>Enter the smaller of line 4 or line 5</td>
<td>6</td>
<td>4,000</td>
</tr>
<tr>
<td>7</td>
<td>Current year qualified electric vehicle credit. Add line 6, columns (a) through (c).</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Credits from flow-through entities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>If you are a—</td>
<td>Then enter total of current year qualified electric vehicle credit(s) from—</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Shareholder</td>
<td>Schedule K-1 (Form 1120S), lines 12d through 13</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Partner</td>
<td>Schedule K-1 (Form 1065), lines 13c through 14</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Total current year credit. Add lines 7 and 8</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Passive activity credits included on line 9. See instructions</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Subtract line 10 from line 9</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Passive activity credits allowed for 1995. See instructions</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Tentative qualified electric vehicle credit. Add lines 11 and 12</td>
<td>13</td>
<td></td>
</tr>
</tbody>
</table>

### Part II  Tax Liability Limitation

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
<td>Enter the amount of your regular tax:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Individuals. Enter the amount from Form 1040, line 40.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Corporations. Enter the amount from Form 1120, Schedule J, line 3.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Other filers. Enter your regular tax before credits from your return.</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Credits that reduce regular tax before the qualified electric vehicle credit:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a Credit for child and dependent care expenses (Form 2441, line 10)</td>
<td>15a</td>
</tr>
<tr>
<td></td>
<td>b Credit for the elderly or the disabled (Schedule R (Form 1040), line 20)</td>
<td>15b</td>
</tr>
<tr>
<td></td>
<td>c Mortgage interest credit (Form 8396, line 11)</td>
<td>15c</td>
</tr>
<tr>
<td></td>
<td>d Foreign tax credit (Form 1116, line 32, or Form 1118, Sch. B, Part III, line 12)</td>
<td>15d</td>
</tr>
<tr>
<td></td>
<td>e Possessions tax credit (Form 5735)</td>
<td>15e</td>
</tr>
<tr>
<td></td>
<td>f Credit for fuel from a nonconventional source</td>
<td>15f</td>
</tr>
<tr>
<td></td>
<td>g Add lines 15a through 15f</td>
<td>15g</td>
</tr>
<tr>
<td>16</td>
<td>Net regular tax. Subtract line 15g from line 14. If zero or less, do not file this form; you cannot claim this credit</td>
<td>16</td>
</tr>
<tr>
<td>17</td>
<td>Tentative minimum tax (see instructions):</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Individuals. Enter the amount from Form 6251, line 26.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Corporations. Enter the amount from Form 4626, line 13.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Estates and trusts. Enter the amount from Form 1041, Schedule I, line 37.</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>Excess of net regular tax over tentative minimum tax. Subtract line 17 from line 16. If zero or less, do not file this form; you cannot claim this credit</td>
<td>18</td>
</tr>
<tr>
<td>19</td>
<td>Qualified electric vehicle credit. Enter the smaller of line 13 or line 18. Also enter on Form 1040, line 44; Form 1120, Schedule J, line 4c; Form 1041, Schedule G, line 2b; or the appropriate line of other income tax returns. See instructions</td>
<td>19</td>
</tr>
</tbody>
</table>

For Paperwork Reduction Act Notice, see back of form.
Qualified Electric Vehicle

A qualified electric vehicle is any motor vehicle that is:

- Manufactured primarily for use on public streets, roads, and highways, and has at least four wheels;
- Powered primarily by an electric motor drawing current from rechargeable batteries, fuel cells, or other portable sources of electrical current;
- Originally used by you; and
- Acquired for your own use and not for resale.

Exceptions. The qualified electric vehicle credit does not apply to vehicles that are:

- Operated exclusively on a rail or rails;
- Used primarily outside the United States;
- Used by a governmental unit or agency or any foreign person or entity; or
- Used by a tax-exempt organization (other than a section 521 farmers’ cooperative) unless the property is used mainly in an unrelated trade or business taxed under section 511.

See section 50(b) for details and other exceptions that may apply.

Recapture of Credit

If the vehicle no longer qualifies for the credit in a later year, you must recapture part or all of the credit. Generally, no recapture occurs on the sale or other disposition of the vehicle (including a disposition resulting from an accident or other casualty). However, if the vehicle will be modified after you dispose of it so that it no longer qualifies for the credit, the credit may be subject to recapture. For details, get Pub. 535, Business Expenses.

Specific Instructions

Part I

Columns (a) through (c)

Complete lines 1 through 6 for each vehicle. Use a separate column for each vehicle. If you need more columns, use additional Forms 8834 and include the total on line 7.

Line 1

If you took a section 179 expense deduction on an electric vehicle, you must reduce the cost of the vehicle by this amount. Enter on this line any section 179 expense deduction you claimed for this vehicle in Part I of Form 4562, Depreciation and Amortization.

Line 5

Enter the qualified electric vehicle passive activity credits allowed for 1995 from Form 8582-CR or Form 8810. See the instructions for the applicable form for more information.

Line 10

Enter the amount of any credits included on line 9 that are from a passive activity. Generally, a passive activity is a trade or business in which you did not materially participate. Rental activities are passive activities, whether or not you materially participate. See Form 8824-CR, Passive Activity Credit Limitations, or Form 8810, Corporate Passive Activity Loss and Credit Limitations, for more details.

Part II

Line 17

Enter the tentative minimum tax that was figured on the appropriate alternative minimum tax form. Although you may not owe alternative minimum tax, you must still figure the tentative minimum tax to figure your credit.

Line 19

If you cannot use part of the credit because of the tax liability limitation, the unused credit is lost. The unused or excess credit cannot be carried back or forward to other tax years.