

2007 Form 8911, Alternative Fuel Vehicle Refueling Property Credit

Purpose: This is the first circulated draft of the 2007 Form 8911, Alternative Fuel Vehicle Refueling Property Credit, for your review and comments. There are no major changes.

TPCC Meeting: None, but one may be arranged if requested.

Prior Version: The 2006 Form 8911 is available at:
<http://www.irs.gov/pub/irs-pdf/f8911.pdf>

Other Products: Circulations of draft tax forms, instructions, notices, and publications are posted at:
http://taxforms.web.irs.gov/draft_products.html

Comments: Please email, fax, call, or mail any comments to me and email the reviewer, William Woolf, Jr. @ William.P.Woolf@irs.gov, by June 29, 2007.

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Name(s) shown on return

Identifying number

Part I Total Cost of Refueling Property

| | | | | |
|---|---|---|--|--|
| 1 | Total cost of qualified alternative fuel vehicle refueling property placed in service during the tax year | 1 | | |
|---|---|---|--|--|

Part II Credit for Business/Investment Use Part of Refueling Property

| | | | | |
|---|---|---|--|--|
| 2 | Business/investment use part (see instructions) | 2 | | |
| 3 | Section 179 expense deduction (see instructions) | 3 | | |
| 4 | Subtract line 3 from line 2 | 4 | | |
| 5 | Multiply line 4 by 30% (.30) | 5 | | |
| 6 | Maximum business/investment use part of credit (see instructions) | 6 | | |
| 7 | Enter the smaller of line 5 or line 6 | 7 | | |
| 8 | Alternative fuel vehicle refueling property credit from partnerships and S corporations | 8 | | |
| 9 | Business/investment use part of credit. Add lines 7 and 8. Partnerships and S corporations, report this amount on Schedule K; all others, report this amount on Form 3800, line 1t | 9 | | |

Part III Credit for Personal Use Part of Refueling Property

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|----|---|-----|---|-----|--|--|---|------------------------------|-----|--|--|---|--|-----|--|--|---|---|-----|--|--|---|-------------------------------------|-----|--|--|-----|--|--|
| 10 | Subtract line 2 from line 1. If zero, stop here; do not file this form unless you are claiming a credit on line 9 | 10 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11 | Multiply line 10 by 30% (.30) | 11 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 12 | Maximum personal use part of credit (see instructions) | 12 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 13 | Enter the smaller of line 11 or line 12 | 13 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 14 | Regular tax before credits: <ul style="list-style-type: none"> • Individuals. Enter the amount from Form 1040, line 44 (or Form 1040NR, line 41) • Other filers. Enter the regular tax before credits from your return | 14 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 15 | Credits that reduce regular tax before the alternative fuel vehicle refueling property credit: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>a</td> <td>Credits from Form 1040, lines 47 through 50 and 52 through 54 (or Form 1040NR, lines 44, 45, and 47 through 49)</td> <td>15a</td> <td></td> <td></td> </tr> <tr> <td>b</td> <td>Foreign tax credit</td> <td>15b</td> <td></td> <td></td> </tr> <tr> <td>c</td> <td>Qualified electric vehicle credit (Form 8834, line 11)</td> <td>15c</td> <td></td> <td></td> </tr> <tr> <td>d</td> <td>Alternative motor vehicle credit (Form 8910, line 18)</td> <td>15d</td> <td></td> <td></td> </tr> <tr> <td>e</td> <td>Add lines 15a through 15d</td> <td>15e</td> <td></td> <td></td> </tr> </table> | a | Credits from Form 1040, lines 47 through 50 and 52 through 54 (or Form 1040NR, lines 44, 45, and 47 through 49) | 15a | | | b | Foreign tax credit | 15b | | | c | Qualified electric vehicle credit (Form 8834, line 11) | 15c | | | d | Alternative motor vehicle credit (Form 8910, line 18) | 15d | | | e | Add lines 15a through 15d | 15e | | | 15e | | |
| a | Credits from Form 1040, lines 47 through 50 and 52 through 54 (or Form 1040NR, lines 44, 45, and 47 through 49) | 15a | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| b | Foreign tax credit | 15b | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| c | Qualified electric vehicle credit (Form 8834, line 11) | 15c | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| d | Alternative motor vehicle credit (Form 8910, line 18) | 15d | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| e | Add lines 15a through 15d | 15e | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 16 | Net regular tax. Subtract line 15e from line 14. If zero or less, stop here; do not file this form unless you are claiming a credit on line 9 | 16 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 17 | Tentative minimum tax (see instructions): <ul style="list-style-type: none"> • Individuals. Enter the amount from Form 6251, line 33 • Other filers. Enter the tentative minimum tax from your alternative minimum tax form or schedule | 17 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 18 | Subtract line 17 from line 16. If zero or less, stop here; do not file this form unless you are claiming a credit on line 9 | 18 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 19 | Personal use part of credit. Enter the smaller of line 13 or 18 here and on Form 1040, line 55; Form 1040NR, line 50; or the appropriate line of your return. If line 18 is smaller than line 13, see instructions | 19 | | | | | | | | | | | | | | | | | | | | | | | | | | | |

General Instructions

Section references are to the Internal Revenue Code.

Purpose of Form

Use Form 8911 to figure your credit for alternative fuel vehicle refueling property you placed in service during the tax year. The credit attributable to depreciable property (refueling property used for business or investment purposes) is treated as a general business credit. Any credit not attributable to depreciable property is treated as a personal credit. For more details, see section 30C.

Taxpayers that are not partnerships, S corporations, or cooperatives, and whose only source of this credit is from those pass-through entities, are not required to complete or file this form. Instead, they can report this credit directly on line 11 of Form 3800.

Amount of Credit

The credit is generally the smaller of 30% of the property's cost or:

- \$30,000 for each property of a character subject to an allowance for depreciation (business/investment use property), and
- \$1,000 for each property of a character not subject to an allowance for depreciation (personal use property).

Each property's cost must first be reduced by any section 179 expense deduction taken for the property.

Qualified Alternative Fuel Vehicle Refueling Property

Qualified alternative fuel vehicle refueling property is any property (other than a building or its structural components) used to do either of the following.

- Store or dispense a clean-burning fuel (defined below) into the fuel tank of a motor vehicle propelled by the fuel, but only if the storage or dispensing is at the point where the fuel is delivered into that tank.
- Recharge motor vehicles propelled by electricity, but only if the property is located at the point where the vehicles are recharged.

In addition, the following requirements must be met to qualify for the credit.

- You placed the refueling property in service after 2005.
- The original use of the property began with you.
- You acquired the property for your use or to lease to others, and not for resale.
- You use the refueling property primarily in the United States.
- If the property is not business/investment use property, the property must be installed on property used as your main home.

Exception. If you are the seller of new refueling property to a tax-exempt organization, governmental unit, or a foreign person or entity, and the use of that property is described in section 50(b)(3) or (4), you can claim the credit, but only if you clearly disclose in writing to the purchaser the amount of the tentative credit allowable for the refueling property (included on line 7 of Form 8911). Treat all property eligible for this exception as business/investment use property.

Clean-burning fuel. The following are clean-burning fuels.

- Any fuel at least 85 percent of the volume of which consists of 1 or more of the following: ethanol, natural gas, compressed natural gas, liquefied natural gas, liquefied petroleum gas, or hydrogen, or
- Any mixture of biodiesel (as defined in section 40A(d)) or renewable diesel and diesel fuel, determined without regard to any use of kerosene and containing at least 20 percent biodiesel or renewable diesel.

Basis Reduction

Unless you elect not to take the credit, you must reduce the basis of the property by the sum of the amounts entered on lines 7 and 13 for that property.

Recapture

If the property no longer qualifies for the credit, you may have to recapture part or all of the credit. For details, see section 30C(e)(5).

Specific Instructions

Line 2

To figure the business/investment use part of the total cost, multiply the cost of each separate refueling property by the percentage of business/investment use for that property. If during the tax year you

convert property used solely for personal purposes to business/investment use (or vice versa), figure the percentage of business/investment use only for the number of months you use the property in your business or for the production of income. Multiply that percentage by the number of months you use the property in your business or for the production of income and divide the result by 12.

Line 3

Enter any section 179 expense deduction you claimed for the property from Part I of Form 4562, Depreciation and Amortization.

Line 6

If you only have one refueling property with business/investment use, enter \$30,000.

If you have more than one refueling property with business/investment use, but no one property would result in an amount of more than \$30,000 if that property were reported separately on line 5, enter the amount from line 5 on line 6. If you have more than one refueling property with business/investment use, and at least one property would result in an amount of more than \$30,000 on line 5 if that property were reported separately, add the separate amounts for each property, but do not include in the total more than \$30,000 for any single property.

Line 12

If you only have one refueling property with personal use, enter \$1,000.

If you have more than one refueling property with personal use, but no one property would result in an amount of more than \$1,000 if that property were reported separately on line 11, enter the amount from line 11 on line 12. If you have more than one refueling property with personal use, and at least one property would result in an amount of more than \$1,000 on line 11 if that property were reported separately, add the separate amounts for each property, but do not include in the total more than \$1,000 for any single property.

Line 17

Although you may not owe alternative minimum tax (AMT), you must still figure the tentative minimum tax (TMT) to figure your credit. Complete and attach the applicable AMT form or schedule and enter the TMT on line 17.

Line 19

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

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated burden for individual taxpayers filing this form is approved under OMB control number 1545-0074 and is included in the estimates shown in the instructions for their individual income tax return. The estimated burden for all other taxpayers who file this form is shown below.

| | | |
|--|-----------|-----------------|
| Recordkeeping | | .5 hr., 30 min. |
| Learning about the law or the form | | 24 min. |
| Preparing and sending the form to the IRS | | 30 min. |

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the instructions for the tax return with which this form is filed.