

2008 Form 8907, Nonconventional Source Fuel Credit

Purpose: This is the first circulated draft of the 2008 Form 8907 for your review and comments. See below for a discussion of the major changes.

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

Prior Version: The 2007 Form 8907 is available at:

<http://www.irs.gov/pub/irs-pdf/f8907.pdf>

Other Products: Circulations of draft tax forms, instructions, notices, and publications are posted at:

<http://taxforms.web.irs.gov/circulations/index.htm>

Comments: Please email, fax, call, or mail any comments by **June 19, 2008**. Comments should also be sent to the reviewer at William.P.Woolf@irs.gov.

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Major Changes to the 2008 Form 8907

On the Form

1] The form is substantially changed because of the expiration of the extension of the credit for gas produced from biomass, and liquid, gaseous, or solid synthetic fuels produced from coal, when such fuels were sold before January 1, 2008, per IRC 45K(f). Only coke and coke gas remain as qualified fuels. Therefore:

- Line A is removed as unnecessary for just one type of qualified fuel (coke or coke gas).
- Line B becomes Line 1 and the subsequent lines are re-numbered.
- Old Lines 4 and 5 are removed because the phaseout adjustment does not apply to the remaining qualified fuels (coke or coke gas), per IRC 45K(g)(2)(D).
- The middle column is removed because there are no "other qualified fuels," just coke or coke gas for 2008.

[2] The result is that the form has only 15 lines now (it had 16 lines for 2007), and there are now 2 columns (it had 3 columns for 2007).

In the Instructions

1] The extension of the credit for gas produced from biomass, and liquid, gaseous, or solid synthetic fuels produced from coal, when such fuels were sold before January 1, 2008, per IRC 45K(f), is expired. Only coke and coke gas remain as qualified fuels. Therefore:

- The **What's New** area is added to indicate the expiration.
- The **Purpose of Form** area is rewritten to indicate that only coke and coke gas remain as qualified fuels.
- The **Qualified Fuels** area is replaced by the **Coke and Coke Gas** discussion since only coke and coke gas remain as qualified fuels.
- The **Line A** instructions are removed and the **Line B** instructions are renamed as **Line 1**. The subsequent instruction line numbers are re-numbered.

2] The new **Line 2 and Line 3** instructions are rewritten to indicate that only coke and coke gas remain as qualified fuels.

3] The old **Line 4** instructions are removed because the phaseout adjustment does not apply to the remaining fuels (coke or coke gas), per IRC 45K(g)(2)(D). The subsequent instruction line numbers are re-numbered.

4] The year is updated in the usual places on the form and in the instructions.