

2008 Form 5884-A, Credits for Affected Midwestern Disaster Area Employers

Purpose: This is the first circulated draft of the 2008 Form 5884-A for your review and comments. See the next page for a discussion of the major changes.

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

Prior Revision: The October 2006 Form 5884-A is available at:

<http://www.irs.gov/pub/irs-prior/f5884a--2006.pdf>

Other Products: Circulations of draft forms and instructions are posted at:

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

Comments: Please email, call, fax, or mail any comments to me, and email any comments to the reviewer William.P.Woolf@irs.gov by **December 8, 2008**.

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Memo of Major Changes for Form 5884-A, Credits for Affected Midwestern Disaster Area Employers

Sec. 702 of P.L. 110-343 made certain GO Zone benefits applicable to Midwestern areas damaged by extreme weather. Two of the credits, the employee retention credit, and the employer housing credit (formerly known as the Hurricane Katrina housing credit) can be claimed by affected Midwestern disaster area employers. We have retitled (see new title above) and revised Form 5884-A so that it can be filed by affected employers to claim the retention and housing credits.

Throughout the form, all year and line references have been updated, and conform to the relevant dates for claiming the retention and housing credits.

Section A: Line 1a has been renumbered as line 1. The entry box for line 1 had been moved all the way to the right, to align with the other entry boxes on the form. Lines 1b, 1c, and 1d have been deleted. The first sentence of renumbered line 2 has been changed to read "Multiply line 1 by 40% (.40)." and the second sentence has been changed to read "See instructions for the adjustment you must make to salaries and wages." On line 4, the reference to Form 3800 has been updated.

Section B: The dates on line 5 have been revised. The first sentence of line 6 has been changed to read "Multiply line 5 by 30% (.30)." and the second sentence has been changed to read "See instructions for the adjustment you must make to salaries and wages." On line 7, we changed the phrase "Hurricane Katrina" to "Employer." On line 8, the reference to Form 3800 has been updated.

In the instructions, we have rewritten the "Purpose of Form" section to apply to the current retention and housing credits.

Under "General Instructions Employee Retention Credit" we replaced the text pertaining to Hurricane Katrina, Hurricane Rita, Hurricane Wilma, the GO Zones, with a list of Midwestern disaster areas. We rewrote the definition of "Eligible employer" and "Eligible employee" to pertain to Midwestern employers and employees.

Under "General Instructions Employer Housing Credit," we removed references to Hurricane Katrina and the GO Zone, and rewrote the definitions of "Qualified employer," "Qualified employee," and "Qualified lodging" to pertain to Midwestern employers and employees.

Under Section B, we added instructions for line 6, as the form portion of line 6 now directs filers to see the line instructions.