

IMPLEMENTATION PLAN for 8827

Run by User SD_8R7DB

December 15, 2008

Page 2 of 2

P.L. 110-289, Housing and Economic Recovery Act of 2008

Action Number	Act Section	IRC Section	Description of Action	Date Type	Effective Date	Target Date	Actual Date
66.00032	3081	168(k)	Revise product to reflect election to accelerate the minimum tax credit in lieu of bonus depreciation.	TYEA	31-MAR-2008	17-NOV-2008	

Total Action Items: 1



need to add iplan item to delete the election for property placed in service after December 31, 2009 (JAM)

Major Changes to 2008 Form 8827, Credit for Prior Year Minimum Tax – Corporations

Page 1

We revised lines 7 and 8 to reflect section 3081 of the Housing and Economic Recovery Act of 2008 (P.L. 110-289). That section provided that corporations may elect to claim increased minimum tax credits instead of claiming the additional first year depreciation under section 168(k) for certain property. The increase in allowable credit is treated as refundable.

We also added instructions for new line 7b to explain the election to accelerate the prior year minimum tax credit. Detail is provided in those instructions regarding application of the credit against the built-in gains tax, if any, for corporations that file Form 1120-S, Form 1120-REIT, or Form 1120-RIC, and that elect to accelerate the credit.

Page 2

We added a worksheet to facilitate calculation of the refundable minimum tax credit and its interplay with the refundable research credit per the provisions of section 3081 of the Housing and Economic Recovery Act of 2008 (P. L. 110-289). That section provided that corporations may elect to claim increased minimum tax credits instead of claiming the additional first year depreciation under section 168(k) for certain property.