



# Instructions for Form 8910

## Alternative Motor Vehicle Credit

### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

### What's New

For qualified hybrid vehicles weighing 8,500 pounds or less and advanced lean burn technology vehicles:

- Honda vehicles purchased during 2008 qualify for a reduced credit.
- Honda vehicles purchased after 2008 no longer qualify for the credit.
- Ford and Mercury vehicles purchased after March 31, 2009, qualify for a reduced credit.

For more information, see *Credit Phaseout* and the line 4 instructions.

Also, the credit is now available for certain costs of converting a motor vehicle to a qualified plug-in electric drive motor vehicle and then placing it in service after February 17, 2009.

### Purpose of Form

Use Form 8910 to figure your credit for alternative motor vehicles you placed in service during your tax year. The credit attributable to depreciable property (vehicles 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.

Taxpayers that are not partnerships or S corporations, 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 1r of Form 3800.



*If your vehicle was used only for personal purposes during the year, and you owe alternative minimum tax (for example, Form 1040, line 45, is more than zero), do not complete Form 8910 because your allowable credit will be zero.*

### Alternative Motor Vehicle

An alternative motor vehicle is a vehicle that qualifies as one of the following types of vehicles.

**Advanced lean burn technology vehicle.** This is a new vehicle with an internal combustion engine that incorporates direct injection, is designed to operate primarily using more air than is necessary for complete combustion of the fuel, and that meets certain additional requirements.

**Qualified hybrid vehicle.** This is a new vehicle that draws propulsion energy from onboard sources of stored energy that are both an internal combustion or heat engine using consumable fuel and a rechargeable energy storage system, and that meets certain additional requirements.

**Qualified alternative fuel vehicle.** This is a new or converted vehicle fueled solely by compressed natural gas, liquefied natural gas, liquefied petroleum gas, hydrogen, any liquid that is at least 85 percent methanol, or a mixture of

one of these fuels and a petroleum-based fuel, and that meets certain additional requirements.

**Qualified fuel cell vehicle.** This is a new vehicle propelled by power derived from one or more cells that convert chemical energy directly into electricity by combining oxygen with hydrogen fuel, and that meets certain additional requirements.

**Qualified plug-in electric drive motor vehicle.** This is a vehicle converted (and then placed in service after February 17, 2009) to be propelled to a significant extent by an electric motor that draws electricity from certain batteries capable of being recharged from an external source of electricity, and that meets certain additional requirements.

**Certification and other requirements.** Generally, you can rely on the manufacturer's (or, in the case of a foreign manufacturer, its domestic distributor's) certification that a specific make, model, and model year vehicle qualifies for the credit and the maximum amount of the credit for which it qualifies.

If, however, the IRS publishes an announcement that the certification for any specific make, model, and model year vehicle has been withdrawn, you cannot rely on the certification for such a vehicle purchased after the date of publication of the withdrawal announcement.

If you purchased a vehicle and its certification was withdrawn on or after the date of purchase, you can rely on such certification even if you had not placed the vehicle in service or claimed the credit by the date the withdrawal announcement was published by the IRS. The IRS will not attempt to collect any understatement of tax liability attributable to reliance on the certification as long as you purchased the vehicle on or before the date the IRS published the withdrawal announcement.

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

- You are the owner of the vehicle. If the vehicle is leased, only the lessor and not the lessee, is entitled to the credit;
- You placed the vehicle in service during your tax year;
- The original use of the vehicle began with you;
- You acquired the vehicle for use or to lease to others, and not for resale; and
- You use the vehicle primarily in the United States.

**Exception.** If you are the seller of an alternative motor vehicle to a tax-exempt organization, governmental unit, or a foreign person or entity, and the use of that vehicle 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 vehicle (from line 5 of Form 8910).

**More information.** For details, see the following.

- Section 30B,
- Notice 2006-9 (qualified hybrid vehicles weighing 8,500 pounds or less and advanced lean burn technology vehicles). You can find Notice 2006-9 on page 413 of Internal Revenue Bulletin (IRB) 2006-6 at [www.irs.gov/pub/irs-irbs/irb06-06.pdf](http://www.irs.gov/pub/irs-irbs/irb06-06.pdf).

- Notice 2006-54 (qualified alternative fuel vehicles). You can find Notice 2006-54 on page 1180 of IRB 2006-26 at [www.irs.gov/pub/irs-irbs/irb06-26.pdf](http://www.irs.gov/pub/irs-irbs/irb06-26.pdf).
- Notice 2007-46 (qualified hybrid vehicles weighing more than 8,500 pounds). You can find Notice 2007-46 on page 1342 of IRB 2007-23 at [www.irs.gov/pub/irs-irbs/irb07-23.pdf](http://www.irs.gov/pub/irs-irbs/irb07-23.pdf).
- Notice 2008-33 (qualified fuel cell vehicles). You can find Notice 2008-33 on page 642 of IRB 2008-12 at [www.irs.gov/pub/irs-irbs/irb08-12.pdf](http://www.irs.gov/pub/irs-irbs/irb08-12.pdf).

## Credit Phaseout

For qualified hybrid vehicles weighing 8,500 pounds or less and advanced lean burn technology vehicles, the credit is subject to a phaseout (reduction) once the vehicle manufacturer (or, for a foreign manufacturer, its U.S. distributor) sells 60,000 of these vehicles to a retailer for use in the United States after 2005. The phaseout begins in the second calendar quarter after the quarter in which the 60,000th vehicle was sold. Then the phaseout allows 50% of the full credit for 2 quarters, 25% of the full credit for 2 additional quarters, and no credit thereafter.

## Basis Reduction

Unless you elect not to claim the credit, you may have to reduce the basis of each vehicle by the sum of the amounts entered on lines 7 and 11 for that vehicle.

## Recapture of Credit

If the vehicle no longer qualifies for the credit, you may have to recapture part or all of the credit. For details, see section 30B(h)(8).

## Specific Instructions

### Line 3—Maximum Credit Allowable

Enter the maximum credit allowable (before reduction under the phaseout rules) for the year, make, and model of vehicle you entered on line 1. You can generally rely on the manufacturer's (or domestic distributor's) certification of the maximum credit allowable as explained on page 1.

Maximum credit allowable amounts acknowledged by the IRS for model years 2007, 2008, and 2009 are listed below.

### Advanced Lean Burn Technology Vehicles

The following list is current as of February 2009. To check for updates, visit [www.irs.gov/newsroom/article/0,,id=157632,00.html](http://www.irs.gov/newsroom/article/0,,id=157632,00.html).

#### Model Year 2009

- Mercedes GL 320 BlueTEC—\$1,800
- Mercedes R 320 BlueTEC—\$1,550
- Mercedes ML 320 BlueTEC—\$900
- Volkswagen Jetta 2.0L TDI Sedan—\$1,300
- Volkswagen Jetta 2.0L TDI SportWagen—\$1,300

### Qualified Hybrid Vehicles That Weigh 8,500 Pounds or Less

The following list is current as of February 2009. To check for updates or to view information on earlier model years, visit [www.irs.gov/newsroom/article/0,,id=157632,00.html](http://www.irs.gov/newsroom/article/0,,id=157632,00.html).

#### Model Year 2007

- Chevrolet Silverado 2WD Hybrid Pickup Truck—\$250
- Chevrolet Silverado 4WD Hybrid Pickup Truck—\$650
- Ford Escape 2WD Hybrid—\$2,600
- Ford Escape 4WD Hybrid—\$1,950
- GMC Sierra 2WD Hybrid Pickup Truck—\$250
- GMC Sierra 4WD Hybrid Pickup Truck—\$650

- Honda Accord Hybrid AT and Navi AT—\$1,300
- Honda Civic Hybrid CVT—\$2,100
- Mercury Mariner 4WD Hybrid—\$1,950
- Nissan Altima Hybrid—\$2,350
- Saturn Aura Hybrid—\$1,300
- Saturn Vue Green Line—\$650

#### Model Year 2008

- Chevrolet Malibu Hybrid—\$1,300
- Chevrolet Tahoe 2WD and 4WD Hybrid—\$2,200
- Ford Escape 2WD Hybrid—\$3,000
- Ford Escape 4WD Hybrid—\$2,200
- GMC Yukon 2WD and 4WD Hybrid—\$2,200
- Honda Civic Hybrid CVT—\$2,100
- Mazda Tribute 2WD Hybrid—\$3,000
- Mazda Tribute 4WD Hybrid—\$2,200
- Mercury Mariner 2WD Hybrid—\$3,000
- Mercury Mariner 4WD Hybrid—\$2,200
- Nissan Altima Hybrid—\$2,350
- Saturn Aura Hybrid—\$1,300
- Saturn Vue Green Line—\$1,550

#### Model Year 2009

- Cadillac Escalade 2WD Hybrid—\$2,200
- Cadillac Escalade AWD Hybrid—\$1,800
- Chevrolet Malibu Hybrid—\$1,550
- Chevrolet Silverado C15 2WD Hybrid—\$2,200
- Chevrolet Silverado K15 4WD Hybrid—\$2,200
- Chevrolet Tahoe C1500 2WD Hybrid—\$2,200
- Chevrolet Tahoe K1500 4WD Hybrid—\$2,200
- Chrysler Aspen Hybrid—\$2,200
- Dodge Durango Hybrid—\$2,200
- Ford Escape 2WD Hybrid—\$3,000
- Ford Escape 4WD Hybrid—\$1,950
- GMC Sierra C15 2WD Hybrid—\$2,200
- GMC Sierra K15 4WD Hybrid—\$2,200
- GMC Yukon C1500 2WD Hybrid—\$2,200
- GMC Yukon K1500 4WD Hybrid—\$2,200
- Mazda Tribute 2WD Hybrid—\$3,000
- Mazda Tribute 4WD Hybrid—\$1,950
- Mercury Mariner 2WD Hybrid—\$3,000
- Mercury Mariner 4WD Hybrid—\$1,950
- Nissan Altima Hybrid—\$2,350
- Saturn Aura Hybrid—\$1,550
- Saturn Vue Hybrid—\$1,550

### Qualified Hybrid Vehicles That Weigh More Than 8,500 Pounds

For information on maximum credit amounts for qualified hybrid vehicles that weigh more than 8,500 pounds, visit [www.irs.gov/businesses/article/0,,id=175456,00.html](http://www.irs.gov/businesses/article/0,,id=175456,00.html).

### Qualified Alternative Fuel Vehicles

For information on maximum credit amounts for qualified alternative fuel vehicles (for example, \$4,000 for the 2007, 2008, or 2009 Honda Civic GX), visit [www.irs.gov/businesses/article/0,,id=175456,00.html](http://www.irs.gov/businesses/article/0,,id=175456,00.html).

### Qualified Fuel Cell Vehicles

No 2007, 2008, or 2009 models have been certified as of February 2009.

To check for updates, visit [www.irs.gov](http://www.irs.gov) and search for "fuel cell vehicles."

### Qualified Plug-In Electric Drive Motor Vehicles

Enter the lesser of \$4,000 or 10% of the cost of converting a motor vehicle to a qualified plug-in electric drive motor vehicle that is then placed in service after February 17, 2009. For details, see section 30B(i) which was inserted into

the Internal Revenue Code by section 1143 of Public Law 111-5.

## Line 4

Use the following list to determine the percentage to enter on line 4.

- If the vehicle is either a qualified alternative fuel vehicle (for example, a Honda Civic GX), a qualified fuel cell vehicle, or a qualified plug-in electric drive motor vehicle, enter 100%.
- If the vehicle is a qualified hybrid vehicle that weighs more than 8,500 pounds, enter 100%.
- If the vehicle is **not** a Toyota, Lexus, Honda, Ford, or Mercury qualified hybrid or advanced lean burn technology vehicle, enter 100%.
- If the vehicle is a Toyota or Lexus qualified hybrid or advanced lean burn technology vehicle, enter 0%. These vehicles no longer qualify for the credit.
- If the vehicle is a Honda qualified hybrid or advanced lean burn technology vehicle purchased after 2007 and before July 1, 2008, enter 50%.
- If the vehicle is a Honda qualified hybrid or advanced lean burn technology vehicle purchased after June 30, 2008, and before 2009, enter 25%.
- If the vehicle is a Honda qualified hybrid or advanced lean burn technology vehicle purchased after 2008, enter 0%. These vehicles no longer qualify for the credit.
- If the vehicle is a Ford or Mercury qualified hybrid or advanced lean burn technology vehicle purchased before April 1, 2009, enter 100%.
- If the vehicle is a Ford or Mercury qualified hybrid or advanced lean burn technology vehicle purchased after March 31, 2009, and before October 1, 2009, enter 50%.
- If the vehicle is a Ford or Mercury qualified hybrid or advanced lean burn technology vehicle purchased after September 30, 2009, and before 2010, enter 25%.

## Line 6

Enter the percentage of business/investment use.

Enter 100% if the vehicle is used solely for business purposes or you are claiming the credit as the seller of the vehicle.

If the vehicle is used for both business purposes and personal purposes, determine the percentage of business use by dividing the number of miles the vehicle is driven during the year for business purposes or for the production of income (not to include any commuting mileage) by the total number of miles the vehicle is driven for all purposes. Treat vehicles used by your employees as being used 100% for business/investment purposes if the value of personal use is included in the employees' gross income, or the employees reimburse you for the personal use. If you report the amount of personal use of the vehicle in your employee's gross income and withhold the appropriate taxes, enter 100% for the percentage of business/investment use.

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. For example, if you converted a vehicle to 50% business use for the last 6 months of the year, you would enter 25% on line 6 (50% multiplied by 6 divided by 12).

For more information, see Pub. 463, Travel, Entertainment, Gift, and Car Expenses.

## Line 9

Enter total alternative motor vehicle credits from:

- Schedule K-1 (Form 1065), box 15 (code P)
- Schedule K-1 (Form 1120S), box 13 (code P)

## Line 14a

Enter the total amount claimed for the following credits (see the following lines of Form 1040 or 1040NR).

Personal Credits	Form 1040, Line:	Form 1040NR, Line:
Credit for child and dependent care expenses	48	45
Credit for the elderly or the disabled	49	N/A
Education credits	50	N/A
Child tax credit	52	47
Retirement savings contributions credit	51	46
Mortgage interest credit	53	48
Residential energy efficient property credit	53	48
Credit for qualified adoption expenses	53	48
Credit from Form 8859, District of Columbia first-time homebuyer credit	54	49

## Line 16

Although you may not owe alternative minimum tax (AMT), you must still figure the tentative minimum tax (TMT) to figure your allowable credit. Complete and attach the applicable AMT form or schedule and enter the TMT on line 16.

## Line 18

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.

**Privacy Act and 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.

<b>Recordkeeping, . . . . .</b>	9 hr., 19 min.
<b>Learning about the law or the form . . . . .</b>	12 min.
<b>Preparing, and sending the form to the IRS, . . . . .</b>	21 min.

we would be happy to hear from you. See the instructions for the tax return with which this form is filed.

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If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler,