

**Qualified Electric and Plug-in Electric Vehicle Credit**

▶ **Attach to your tax return.**

Name(s) shown on return

Identifying number

**Part I Qualified Electric Vehicle Credit**

**Caution.** This part only applies to qualified electric vehicle passive activity credits from prior years (allowed on Form 8582-CR or Form 8810 for the current tax year).

1	Qualified electric vehicle passive activity credits allowed for your current tax year (see instructions)		<b>1</b>		
2	Regular tax before credits (see instructions)		<b>2</b>		
3	Credits that reduce regular tax before the qualified electric vehicle credit:				
a	Personal credits from Form 1040 or Form 1040NR (see instructions)	<b>3a</b>			
b	Foreign tax credit	<b>3b</b>			
c	American Samoa economic development credit (Form 5735)	<b>3c</b>			
d	Add lines 3a through 3c		<b>3d</b>		
4	Net regular tax. Subtract line 3d from line 2. If zero or less, stop here; <b>do not</b> file this form unless you are claiming the qualified plug-in electric vehicle credit in Part II		<b>4</b>		
5	Tentative minimum tax (see instructions)		<b>5</b>		
6	Subtract line 5 from line 4. If zero or less, stop here; <b>do not</b> file this form unless you are claiming the qualified plug-in electric vehicle credit in Part II		<b>6</b>		
7	<b>Qualified electric vehicle credit.</b> Enter the <b>smaller</b> of line 1 or line 6. Report the total of this amount and the amount (if any) from line 31 on the appropriate line of your return (see instructions). If line 6 is smaller than line 1, see instructions ▶		<b>7</b>		

**Part II Qualified Plug-in Electric Vehicle Credit** (For vehicles acquired and placed in service after February 17, 2009)

**Section A—Vehicle Information**

Use a separate column for each vehicle. If you need more columns, use additional Forms 8834 and include the totals on lines 18 and 25.

		(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3
8	Year, make, and model of vehicle	<b>8</b>		
9	Enter date vehicle was placed in service (MM/DD/YYYY)	<b>9</b>	/ /	/ /
10	Cost of the vehicle	<b>10</b>		

**Next:** If you did NOT use your vehicle for business or investment purposes and did not have a credit from a partnership or S corporation, skip Section B and go to Section C. All others, go to Section B.

**Section B—Credit for Business/Investment Use Part of Vehicle**

11	Business/investment use percentage (see instructions)	<b>11</b>	%	%	%
12	Multiply line 10 by line 11	<b>12</b>			
13	Section 179 expense deduction (see instructions)	<b>13</b>			
14	Subtract line 13 from line 12	<b>14</b>			
15	Multiply line 14 by 10% (.10)	<b>15</b>			
16	Maximum credit per vehicle	<b>16</b>	2,500 00	2,500 00	2,500 00
17	Enter the <b>smaller</b> of line 15 or line 16	<b>17</b>			
18	Add columns (a) through (c) on line 17				<b>18</b>
19	Qualified plug-in electric vehicle credit from partnerships and S corporations				<b>19</b>
20	<b>Business/investment use part of credit.</b> Add lines 18 and 19. Partnerships and S corporations, report this amount on Schedule K; all others, see instructions				<b>20</b>

**Section C—Credit for Personal Use Part of Vehicle**

	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3
<b>21</b> If you skipped Section B, enter the amount from line 10. If you completed Section B, subtract line 12 from line 10 . . . . .	<b>21</b>		
<b>22</b> Multiply line 21 by 10% (.10) . . . . .	<b>22</b>		
<b>23</b> Maximum credit per vehicle. If you skipped Section B, enter \$2,500. If you completed Section B, subtract line 17 from line 16 . . . . .	<b>23</b>		
<b>24</b> Enter the <b>smaller</b> of line 22 or line 23 . . . . .	<b>24</b>		
<b>25</b> Add columns (a) through (c) on line 24 . . . . .			<b>25</b>
<b>26</b> Regular tax before credits (see instructions) . . . . .			<b>26</b>
<b>27</b> Alternative minimum tax (see instructions) . . . . .			<b>27</b>
<b>28</b> Add lines 26 and 27 . . . . .			<b>28</b>
<b>29</b> Credits that reduce regular tax before the qualified plug-in electric vehicle credit:			
<b>a</b> Personal credits from Form 1040 or Form 1040NR (see instructions) . . . . .	<b>29a</b>		
<b>b</b> Foreign tax credit . . . . .	<b>29b</b>		
<b>c</b> Add lines 29a and 29b . . . . .			<b>29c</b>
<b>30</b> Net income tax. Subtract line 29c from line 28. If zero or less, stop here; <b>do not</b> file this form unless you are claiming a credit on line 7 or line 20 . . . . .			<b>30</b>
<b>31</b> <b>Personal use part of credit.</b> Enter the <b>smaller</b> of line 25 or line 30. Report the total of this amount and the amount (if any) from line 7 on the appropriate line of your return (see instructions). If line 30 is smaller than line 25, see instructions . . . . .			<b>31</b>

**General Instructions**

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

**What's New**

The American Recovery and Reinvestment Tax Act of 2009 added the qualified plug-in electric vehicle credit for qualified plug-in electric vehicles acquired after February 17, 2009, and before January 1, 2012.

This July 2009 revision of Form 8834 must be used by 2008 filers with tax years ending after February 17, 2009, who claim the qualified plug-in electric vehicle credit. Other 2008 filers can use either this form or the February 2009 revision of Form 8834. Filers of 2009 tax returns should use the 2009 Form 8834.

**Purpose of Form**

Use Form 8834 to claim any qualified electric vehicle passive activity credits from prior years (allowed on Form 8582-CR, Passive Activity Credit Limitations (for individuals, trusts, and estates), or Form 8810, Corporate Passive Activity Loss and Credit Limitations (for corporations), for the current tax year) and the qualified plug-in electric vehicle credit.

The qualified plug-in electric vehicle 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 allowed against both the regular tax and the alternative minimum tax.

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, for 2008, they can include this credit directly on line 1r of Form 3800. Enter the credit amount and "QPEVC" on the dotted line to the left of the entry space for line 1r.

**Recapture of the Qualified Electric Vehicle Credit**

If the vehicle no longer qualifies for the qualified electric vehicle credit within 3 years of the date you placed it in service, you

must recapture part or all of the credit. The property will cease to qualify if it is changed in either of the following ways.

1. The vehicle is modified so that it is no longer primarily powered by electricity.
2. It becomes nonqualifying property.

Generally, no recapture occurs on the sale or other disposition of the vehicle (including a disposition resulting from an accident or other casualty). However, if the vehicle will be modified after you dispose of it so that it no longer qualifies for the credit, the credit may be subject to recapture.

For more information on the recapture of the qualified electric vehicle credit, see Regulations section 1.30-1(b).

**Qualified Plug-in Electric Vehicle Credit**  
**Qualified Plug-in Electric Vehicle**

This is a vehicle made by a manufacturer that is propelled to a significant extent by an electric motor that draws electricity from a battery that can be recharged from an external source of electricity and has a capacity of not less than:

- 2.5 kilowatt hours if the vehicle has 2 or 3 wheels, or
- 4 kilowatt hours if the vehicle has 4 wheels.

The vehicle must also be either:

- A low speed vehicle, or
- A vehicle with 2 or 3 wheels that, according to the manufacturer, has a loaded weight (GVWR) of less than 14,000 pounds.

A low speed vehicle is a vehicle that:

- Has 4 wheels,
- Can attain a speed of more than 20 but not more than 25 miles per hour after 1 mile on a paved level surface, and
- According to the manufacturer, has a loaded weight (GVWR) of less than 3,000 pounds.

**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.

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 acquired the vehicle after February 17, 2009, and before January 1, 2012;
- You placed the vehicle in service during your tax year;
- The vehicle is manufactured primarily for use on public streets, roads, and highways, and not for off-road use, such as on a golf course;
- 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 a qualified plug-in electric 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 17 of Form 8834).

For more information, see section 30 and Notice 2009-58. You can find Notice 2009-58 on page 163 of Internal Revenue Bulletin (IRB) 2009-30 at [www.irs.gov/pub/irs-irbs/irb09-30.pdf](http://www.irs.gov/pub/irs-irbs/irb09-30.pdf).

### 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 17 and 24 for that vehicle.

### Coordination With Other Credits

If a vehicle qualifies for the qualified plug-in electric drive motor vehicle credit on Form 8936, no credit is allowed for that vehicle on this Form 8834.

### Recapture of Qualified Plug-in Electric Vehicle 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 30(e)(5).

## Specific Instructions

### Part I

#### Qualified Electric Vehicle Credit

##### Line 1

Enter the qualified electric vehicle passive activity credits allowed for your current tax year from Form 8582-CR or Form 8810. See the instructions for the applicable form for more information.

##### Line 2

Enter your regular tax as shown on your current year tax form before any credits. For example, for 2008:

- Individuals would enter the amount from Form 1040, line 44, or Form 1040NR, line 41.

- Corporations would enter the amount from Form 1120, Schedule J, line 2.

- Estates and trusts would enter the total of the amounts from Form 1041, Schedule G, lines 1a and 1b.

### Line 3a

Enter the nonrefundable personal credits from your tax form that reduce your regular tax before the qualified electric vehicle credit. See the table below for examples from the 2008 Forms 1040 and 1040NR.

Credits that reduce tax before the qualified electric vehicle credit:	2008 Form 1040, line:	2008 Form 1040NR, line:
Foreign tax credit *	47	44
Credit for child and dependent care expenses	48	45
Credit for the elderly or the disabled	49	N/A
Education credits	50	N/A
Retirement savings contributions credit	51	46
Qualified plug-in electric vehicle credit from Part II of this form	54	49
Child tax credit	52	47
Mortgage interest credit	53	48
Credit for qualified adoption expenses	53	48
Residential energy efficient property credit	53	48
Credit from Form 8859, District of Columbia First-Time Homebuyer Credit	54	49

\* Enter any foreign tax credit on line 3b of this form.

### Line 5

Although you may not owe alternative minimum tax (AMT), you generally must still figure the tentative minimum tax (TMT) to figure your credit. For a small corporation exempt from the AMT under section 55(e), enter -0-. Otherwise, complete and attach the applicable AMT form or schedule and enter the TMT on line 5. For example, for 2008:

- Individuals would enter the amount from Form 6251, line 34.
- Corporations would enter the amount from Form 4626, line 12.
- Estates and trusts would enter the amount from Schedule I (Form 1041), line 54.

### Line 7

Enter your qualified electric vehicle credit (and the amount from line 31, if any) on the appropriate line of your current year tax form. For example, for 2008:

- Individuals would enter the credit on Form 1040, line 54, or Form 1040NR, line 49.
- Corporations would enter the amount on Form 1120, Schedule J, line 5b.
- Estates and trusts would enter the amount on Form 1041, Schedule G, line 2b.

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

## Part II

### Qualified Plug-in Electric Vehicle Credit

#### Line 11

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 employees' 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 13**

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

**Line 19**

Enter total qualified plug-in electric vehicle credits from:

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

**Line 20**

Include this amount on the 2008 Form 3800, line 1r. Enter the credit amount and "QPEVC" on the dotted line to the left of the entry space for line 1r.

**Line 26**

Enter your regular tax as shown on your 2008 tax form before any credits.

- Individuals. Enter the amount from Form 1040, line 44, or Form 1040NR, line 41.
- Corporations. Enter the amount from Form 1120, Schedule J, line 2.
- Estates and trusts. Enter the total of the amounts from Form 1041, Schedule G, lines 1a and 1b.

**Line 27**

Enter your alternative minimum tax as shown on your 2008 tax form.

- Individuals. Enter the amount from Form 6251, line 36.
- Corporations. Enter the amount from Form 4626, line 14.
- Estates and trusts. Enter the amount from Schedule I (Form 1041), line 56.

**Line 29a**

Enter the nonrefundable personal credits from your 2008 tax form that reduce your tax before the qualified plug-in electric vehicle credit. See the table at the top of the next column.

Credits that reduce tax before the qualified plug-in electric vehicle credit:	2008 Form 1040, line:	2008 Form 1040NR, line:
Foreign tax credit *	47	44
Credit for child and dependent care expenses	48	45
Credit for the elderly or the disabled	49	N/A
Education credits	50	N/A
Retirement savings contributions credit	51	46

\* Enter any foreign tax credit on line 29b of this form.

**Line 31**

Enter your qualified plug-in electric vehicle credit (and the amount from line 7, if any) on the appropriate line of your 2008 tax form.

- Individuals. Enter the credit on Form 1040, line 54, or Form 1040NR, line 49.
- Corporations. Enter the amount on Form 1120, Schedule J, line 5b.
- Estates and trusts. Enter the amount on Form 1041, Schedule G, line 2b.

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** . . . . . 15 hr., 4 min.

**Learning about the law or the form** . . . . . 24 min.

**Preparing, copying, assembling, and sending the form to the IRS** . . . . . 39 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.