



## General Business Credit

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

### What's New

1. Form 3800 has been redesigned. The redesign includes:

a. Part I is now titled *Current Year Credit for Credits Not Allowed Against Tentative Minimum Tax (TMT)*. The credits previously reported in Part I, lines 1a through 1bb are now reported in Part III, lines 1a through 1bb.

b. The passive activity limit and carryover amounts for all general business credits are now reported on Form 3800.

c. A new Part III is added to reflect all the general business credits that are reported on Form 3800 and to identify the type of credit being reported. In addition, if a credit is being reported from a pass-through entity, the employer identification number (EIN) of the pass-through entity must be entered in Part III.

2. The employer housing credit is no longer applicable and is removed from Part III, line 1.

3. The IRS has created a page on IRS.gov for information about Form 3800 and its instructions at [www.irs.gov/form3800](http://www.irs.gov/form3800). Information about any future developments affecting Form 3800 (such as legislation enacted after we release it) will be posted on that page.

## General Instructions

### Who Must File

You must file Form 3800 to claim any of the general business credits.

If your only source of credits listed on Form 3800, Part III, is from pass-through entities, you may not be required to complete the source credit form. Instead, you may be able to report the credit directly on Form 3800. For more details, see *Part III. General Business Credits or Eligible Small Business Credits*, later.

### Special Rules for Eligible Small Business Credits (ESBCs)

**ESBCs.** ESBCs determined in tax year 2010 can offset both regular tax and AMT. Any unused ESBCs determined in tax year 2010 are carried back five years and are used to offset regular tax and AMT in the carryback years. Generally, ESBCs mean the sum of the general business credits determined for the tax year with respect to an eligible small business. However, the new hire retention credit (reported on Part III, line 1aa) is not an ESBC.

**Eligible small business defined.** For purposes of the Small Business Jobs Act of 2010, an eligible small business is:

- A corporation whose stock is not publicly traded,
- A partnership, or
- A sole proprietorship.

The average annual gross receipts of the corporation, partnership, or sole proprietorship for the 3-tax-year period preceding the tax year of the credits cannot exceed \$50 million. Gross receipts for any tax year must be reduced by returns and allowances made during the year. Any reference to your business also includes a reference to any predecessor of your business.

If your business was not in existence for the entire 3-year period, base your average annual gross receipts on the period your business existed. Also, if your business had a tax year of less than 12 months, your gross receipts must be annualized by multiplying the gross receipts for the short period by 12 and dividing the result by the number of months in the short period.

**Member of controlled group, business under common control, or affiliated group.** For purposes of the gross receipts test, all members of a controlled group of corporations (as defined in section 52(a)) and all members of a group of businesses under common control (as defined in section 52(b)), are treated as a single person; and all employees of the members of an affiliated service group (as defined in sections 414(m) and (o)) shall be treated as employed by a single person.

**Treatment of partners and S corporation shareholders.** General business credits determined for a partnership or S corporation cannot be treated as ESBCs unless both the partnership or corporation and partner or shareholder meet the gross receipts test as discussed under *Eligible small business defined* above for the tax year that the credits are treated as current year general business credits.

### Carryback and Carryforward of Unused Credit

If you cannot use part or all of your general business credit because of the tax liability limit (line 38 is less than the sum of Part I, line 6, and Part II, lines 24 and 36), carry the unused credit back one year (see *Special 5-year carryback rule for ESBCs* below). To carry back an unused credit, file an amended return (Form 1040X, Amended U.S. Individual Income Tax Return, Form 1120X, Amended U.S. Corporation Income Tax Return, or other amended return) for the prior tax year or an application for tentative refund (Form 1045, Application for Tentative Refund, or Form 1139, Corporation Application for Tentative Refund). Generally, if you file an application for a tentative refund, it must be filed by the end of the tax year following the tax year in which the credit arose.



**The new hire retention credit cannot be carried back to tax years beginning before March 18, 2010.**

**Special 5-year carryback rule for ESBCs.** To carry back unused ESBCs determined in the first tax year beginning in 2010, file an amended return (Form 1040X, Form 1120X, or other amended return) for the prior tax year or an application for tentative refund (Form 1045 or Form 1139). Write "SBJA 2012" at the top of the form you use to file the amended return.

Carry back any unused ESBC by reporting it on the 2006 Form 6478, Credit for Alcohol Used as a Fuel, line 10. Any carryback of the ESBC not used in 2006 can be carried to 2007 (the next earliest carryback year), and so on, by including

any remaining unused ESBC on the following forms.

1. 2007 Form 6478, line 10.
2. 2008 Form 6478, Alcohol and Cellulosic Biofuel Fuels Credit, line 14.
3. 2009 Form 6478, line 13.
4. 2010 Form 6478, line 14.

Enter "SBJA 2012" to the left of the entry space used to include the unused ESBC on each Form 6478.

**Note.** Except for ESBCs, no part of the unused credit for any year attributable to any credit can be carried back to any tax year before the first tax year for which that credit was first allowable. See *Credit Ordering Rule*, later, to determine which credits are allowed first.

If you have an unused credit after carrying it back 1 year (to each of the 5 preceding tax years, beginning with the earliest, for ESBCs), carry it forward to each of the 20 tax years after the year of the credit. Any qualified business credits (as defined in section 196(c)) that are unused after the last tax year of the 20-year carryforward period (or at the time an individual taxpayer dies or other taxpayer, such as a corporation or partnership, ceases to exist) may be taken as a deduction in the earlier of:

- The tax year following the last tax year of the 20-year carryforward period, or
- The tax year in which the individual taxpayer dies or other taxpayer ceases to exist.

**Carryforward of the energy credit and the renewable electricity credit.** If a grant is paid under Public Law 111-5, section 1603, for investment in energy property or renewable electricity property, any carryforward of the energy credit or renewable electricity credit related to that property is reduced to recapture the unused portion of the credit.

## Change in Filing or Marital Status

Your general business credit is limited to your tax liability. Therefore, if you filed a joint return in a carryback or carryforward year and your marital status or filing status has changed, you may need to figure your separate tax liability in that carryback or carryforward year. This would apply if:

- You filed as single in the credit year, but filed a joint return in the carryback or carryforward year;
- You filed a joint return in the credit year, but filed a joint return with a different spouse in the carryback or carryforward year; or
- You were married and filed a separate return in the credit year, but filed a joint return with the same or a different spouse in the carryback or carryforward year.

Determine your separate tax liability in the carryback or carryforward year as follows.

1. Figure your tax for the carryback or carryforward year as though you were married filing a separate return.
2. Figure your spouse's tax in that year as though he or she was married filing a separate return.
3. Add the amounts in steps (1) and (2).
4. Divide the amount in step (1) by the amount in step (3). The result should be rounded to at least three decimal places.
5. Multiply the decimal in step (4) by the total tax shown on your joint return for the carryback or carryforward year. The result is your separate tax liability and a carryback or carryforward credit is applied against this amount only.

Although your carryback or carryforward of the credit is limited to your separate tax liability, the amount of your refund resulting from the carryback or carryforward is further limited to your share of the joint overpayment. This is found by subtracting your separate tax liability (as determined above) from your contribution toward the payment.

Unless you have an agreement or clear evidence of each spouse's contribution toward the payment of the joint liability, your contribution includes the tax withheld on your wages and your share of the joint estimated tax or tax paid with the return. Your share of these payments is found by using the same formula used in determining your separate tax liability. Substitute the joint estimated tax, or tax paid with the return, for the tax in step (5). If the original return for the carryback year resulted in an overpayment, reduce your contribution by your share of the refund.

Attach a copy of the computation to your amended return or application for tentative refund.

## Credit Ordering Rule

General business credits reported on Form 3800 are treated as used on a first-in, first-out basis by offsetting the earliest-earned credits first. Therefore, the order in which the credits are used in any tax year is:

- Carryforwards to that year, the earliest ones first;
- The general business credit earned in that year; and
- The carryback to that year.

If your general business credits exceed your tax liability limit, the credits are used in the following order and based on the order shown under *Order in which credits are used* below.

- Credits reported on line 2 of all Parts III with boxes A, B, C, and D checked.
- Credits reported on Part II, line 25.
- Non-ESBC credits reported on line 5 of all Parts III with boxes A, B, C, and D checked.
- ESBC credits reported on line 6 of all Parts III with boxes E, F, G, and H checked.

**Order in which credits are used.** When relevant, the components of the general business credit reported on Form 3800 arising in a single tax year are used in the following order.

- Investment credit (in the following order—rehabilitation credit, energy credit, qualifying advanced coal project credit, qualifying gasification project credit, qualifying advanced energy project credit, and qualifying therapeutic discovery project credit) (Form 3468).
- Work opportunity credit (Form 5884).
- Alcohol and cellulosic biofuel fuels credit (Form 6478).
- Credit for increasing research activities (Form 6765).
- Low-income housing credit (Form 8586, Part I only).
- Disabled access credit (Form 8826).
- Renewable electricity, refined coal, and Indian coal production credit (Form 8835).
- Empowerment zone and renewal community employment credit (Form 8844).
- Indian employment credit (Form 8845).
- Employer social security and Medicare taxes paid on certain employee tips (Form 8846).
- Orphan drug credit (Form 8820).
- New markets credit (Form 8874).
- Credit for small employer pension plan startup costs (Form 8881).
- Credit for employer-provided child care facilities and services (Form 8882).
- Qualified railroad track maintenance credit (Form 8900).
- Biodiesel and renewable diesel fuels credit (Form 8864).
- Low sulfur diesel fuel production credit (Form 8896).
- Distilled spirits credit (Form 8906).
- Nonconventional source fuel credit (Form 8907).
- Energy efficient home credit (Form 8908).
- Energy efficient appliance credit (Form 8909).
- Alternative motor vehicle credit (Form 8910).
- Alternative fuel vehicle refueling property credit (Form 8911).
- Mine rescue team training credit (Form 8923).
- Agricultural chemicals security credit (Form 8931).
- Credit for employer differential wage payments (Form 8932).

- Carbon dioxide sequestration credit (Form 8933).
- Qualified plug-in electric drive motor vehicle credit (Form 8936).
- Qualified plug-in electric vehicle credit (Form 8834, Part I only).
- Credit for small employer health insurance premiums (Form 8941).
- New hire retention credit (Form 5884-B).
- General credits from an electing large partnership (Schedule K-1 (Form 1065-B)).

**TIP** Although these credits are aggregated on Form 3800, keep a separate record of each credit, including whether the credit was an eligible small business credit, to ensure proper accounting of the credits.

## Specific Instructions

Complete and attach the appropriate credit forms used to figure your current year credit. Generally, if you are a taxpayer that is not a partnership or S corporation, and your only source for a credit listed in Form 3800, Part III, is from a partnership, S corporation, estate, trust, or cooperative, you are not required to complete the source credit form or attach it to Form 3800. The following exceptions apply:

- You are claiming the investment credit (Form 3468) or the biodiesel and renewable diesel fuels credit (Form 8864) in Part III with box A, B, E, or F checked.
- The taxpayer is an estate or trust and the source credit can be allocated to beneficiaries. For more details, see the Instructions for Form 1041, U.S. Income Tax Return for Estates and Trusts, Schedule K-1, box 13.
- The taxpayer is a cooperative and the source credit can or must be allocated to patrons. For more details, see the Instructions for Form 1120-C, U.S. Income Tax Return for Cooperative Associations, Schedule J, line 5c.

**Assembling Form 3800.** To ensure Form 3800 is correctly processed, assemble Form 3800 in the following order.

1. Page 1.
2. Page 2.
3. Part III with box I checked.
4. All Parts III with box A checked.
5. All Parts III with box B checked.
6. Part III with box C checked.
7. Part III with box D checked.
8. All Parts III with box E checked.
9. All Parts III with box F checked.
10. Part III with box G checked.
11. Part III with box H checked.

## Part I. Current Year Credit for Credits Not Allowed Against Tentative Minimum Tax (TMT)



Complete all Parts III before completing Part I and Part II. See Part III. General Business Credits or Eligible Small Business Credits for more information.

### Line 3

Enter the applicable passive activity credit amount allowed from Form 8582-CR, Passive Activity Credit Limitations, or Form 8810, Corporate Passive Activity Loss and Credit Limitations. The passive activity credit amount allowed on line 3 only applies to the general business credits not allowed against TMT from Part I, line 2, plus any prior year unallowed passive activity credit from general business credits not allowed against TMT.

Generally, a passive activity is a trade or business in which you did not materially participate. Generally, rental activities are passive activities, whether or not you materially participated. See Form 8582-CR or Form 8810 for details.

### Line 4

Enter the amount of all carryforwards to 2011 of unused credits that are reported from line 2 of Part III with box C checked.

For each credit, attach a statement with the following information.

- Show the tax year the credit originated, the amount of the credit as reported on the original return, and the amount allowed for that year. Also state whether the total carryforward amount was changed from the originally reported amount and identify the type of credit(s) involved. If the revised carryforward amount relates to unused additional research credits, attach an additional schedule detailing the changes to the originally reported Form 6765 information for all originating credit years applicable.
- For each carryback year, show the year and the amount of the credit allowed after you applied the carryback.
- For each carryforward year, show the year and the amount of the credit allowed after you applied the carryforward.

**Note.** Individuals claiming the research credit from a sole proprietorship or pass-through entity do not include any carryforward of that credit on line 4. Instead, include the carryforward when figuring the research credit limitation on line 1c of any Parts III with the applicable box A or B checked and attach the statement required above.

### Line 5

Use line 5 only when you amend your 2011 return to carry back unused credits from 2012. Enter the amount that is reported from line 2 of Part III with box D checked.

**Note.** Individuals claiming the research credit from a sole proprietorship or pass-through entity do not include any carryback of that credit on line 5. Instead, include the carryback when figuring the research credit limitation on line 1c of any Parts III with the applicable box A or B checked.

## Part II. Allowable Credit

### Line 10b

Enter the total credit, if any, from Form 1040, lines 48 through 52 (or Form 1040NR, lines 46 through 49); Form 8396, line 9; Form 8834, lines 23 and 30; Form 8859, line 9; Form 8910, line 22; Form 8911, line 19; Form 8936, line 15; and Schedule R (Form 1040), line 22.

### Line 13

See section 38(c)(6) for special rules that apply to married couples filing separate returns, controlled corporate groups, regulated investment companies, real estate investment trusts, estates, and trusts.

### Line 16b

Section 168(k)(4) allows a corporation to elect to claim a refundable credit for certain unused research credits in lieu of the special depreciation allowance for eligible qualified property.

If the corporation made an election to increase the research credit or minimum tax credit limitations for its first tax year ending after March 31, 2008, it can choose not to have the election apply to extension property (defined below). Otherwise, the original election continues to apply to both eligible qualified property and extension property. However, in this case, separate bonus depreciation amounts, maximum increase amounts, and maximum amounts are computed for eligible qualified property and for extension property. If the corporation did not make the election for its first tax year ending after March 31, 2008, it can make the election only for extension property for its first tax year ending after December 31, 2008. For tax year 2010, the election applied to extension property only.

S corporations that make the election to accelerate the credit can use the credit only against the built-in gains tax. See the Instructions for Schedule D (Form 1120S), line 20. Corporations that file Form 1120-REIT or Form 1120-RIC must apply the credit first against the built-in

gains tax, if any, and reduce the refundable credit by the amount so applied. See the instructions for line h of the Built-in Gains Tax Worksheet in the separate instructions for those forms.

**Extension property.** Generally, extension property is:

- Qualified property under section 168(k)(2) that is acquired after March 31, 2008, placed in service in 2009, and that is not property described in section 168(k)(2)(B) or (C), and
- Qualified property described in sections 168(k)(2)(B) and (C), that is acquired after March 31, 2008, and placed in service in 2010.

This does not include property acquired pursuant to a written binding contract in

effect before April 1, 2008. See section 168(k)(4)(G)(iii) for special rules for written binding contracts involving certain passenger aircraft.

For corporations electing to accelerate the use of unused research credit carryforwards and obtain a refundable credit in lieu of the special depreciation allowance, figure the bonus depreciation amount attributable to the research credit by using the *Worksheet for Calculating the Refundable Minimum Tax Credit and Research Credit Amounts*, later. Allocations of bonus depreciation amounts to research credits may be revoked only with the consent of the IRS. All others enter zero on line 16b.

**How to make the election not to apply section 168(k)(4) to extension property.**

To make the election not to apply section 168(k)(4) to extension property, the corporation must attach a statement to its timely filed tax return (including extensions) for its first tax year ending after December 31, 2008; and provide written notification to any partnership in which it is a partner. The statement and the written notification to the partnership must indicate that the corporation is making the election not to apply section 168(k)(4) to extension property. Generally, the notification to a partnership in which the corporation is a partner must be made on or before the due date (including extensions) of the corporation's tax return for its first tax year ending after December 31, 2008. If the corporation makes a late election, the notification to the partnership must be made no later than the date the late election is filed. If the corporation timely filed its tax return without making this election, it can still make the election by filing an amended return within 6 months of the due date of the return (excluding extensions). Attach the statement to the amended return and write "Filed pursuant to section 301.9100-2" at the top of the amended return. If the corporation does not meet the requirements of Regulations section 301.9100-2, it can still file a request for extension of time to make the election under Regulations section 301.9100-3.

**How to make the extension property election.** To make the section 168(k)(4) extension property election, a corporation claims the refundable credit on Schedule J, Part II, line 19c of Form 1120, U.S. Corporation Income Tax Return, for its first tax year ending after December 31, 2008, and attaches Form 3800 and Form 4562, Depreciation and Amortization. The corporation must also provide written notification to the partnership in which it is a partner. The notification must indicate that the corporation is making the section 168(k)(4) extension property election. Generally, the notification to a partnership in which the corporation is a partner must be made on or before the due date (including extensions) of the corporation's tax return for its first tax year ending after December 31, 2008. If the corporation makes a late election, the notification to the partnership must be made no later than the date the late election is filed. If the corporation timely filed its tax return without making this election, it can still make the election by filing an amended return within 6 months of the due date of the return (excluding extensions). Attach the statement to the amended return and write "Filed pursuant to section 301.9100-2" at the top of the amended

**Worksheet for Calculating the Refundable Minimum Tax Credit and Research Credit Amounts**

Keep for Your Records



This worksheet is for extension property only. See the Instructions for Form 8827 for round 2 extension property.

	<b>Extension property</b>
1. Enter depreciation (including the special depreciation allowance) that would have been allowed for extension property placed in service during the periods discussed under <i>Extension property</i> , earlier, if section 168(k)(1) had applied to such property. . . . .	1. _____
2. Enter depreciation for extension property placed in service during the periods discussed under <i>Extension property</i> , earlier, and figured without regard to section 168(k)(1). . . . .	2. _____
3. Subtract line 2 from line 1. . . . .	3. _____
4. Multiply line 3 by 20%. . . . .	4. _____
5. Enter any unused research credit carryforward from tax years beginning before 2006. . . . .	5. _____
6. Enter any unused minimum tax credit carryforward from tax years beginning before 2006. . . . .	6. _____
7. Add line 5 and line 6. . . . .	7. _____
8. Multiply line 7 by 6%. . . . .	8. _____
9. Enter the smaller of line 8 or \$30,000,000. . . . .	9. _____
10. Enter any bonus depreciation amounts determined under section 168(k)(4)(C) attributable to extension property for all preceding tax years ending after March 31, 2008. . . . .	10. _____
11. Subtract line 10 from line 9. If zero or less, enter -0-. . . . .	11. _____
12. Bonus depreciation amount. Enter the smaller of line 4 or line 11. <b>Note:</b> If you do not have a research credit carryforward, or if you choose not to allocate bonus depreciation amounts to research credit carryforwards, skip lines 13 and 14 and enter -0- on line 15. . . . .	12. _____
13. Enter the amount from line 10 allocated to the research credit carryforward shown on line 5. . . . .	13. _____
14. Maximum bonus depreciation amount allocable to the research credit. Subtract line 13 from line 5. . . . .	14. _____
15. Refundable research credit. Enter the smaller of line 14 or the amount on line 12 that you choose to allocate to the research credit. If you have a minimum tax credit, continue to line 16. All others, enter the line 15 amount on your 2011 Form 3800, line 16b. . . . .	15. _____
16. Subtract line 15 from line 12. . . . .	16. _____
17. Enter the amount from line 10 allocated to the minimum tax credit carryforward shown on line 6. . . . .	17. _____
18. Maximum bonus depreciation amount allocable to the minimum tax credit. Subtract line 17 from line 6. . . . .	18. _____
19. Refundable minimum tax credit. Enter the smaller of line 18 or line 16. Enter the line 19 amount on your 2011 Form 8827, line 7b. . . . .	19. _____

return. If the corporation does not meet the requirements of Regulations section 301.9100-2, it can still file a request for extension of time to make the election under Regulations section 301.9100-3.

For more information on the election to accelerate the research credit in lieu of the special depreciation allowance, including how to make the elections regarding extension property, see the following.

- Rev. Proc. 2008-65, 2008-44 I.R.B. 1082, available at [www.irs.gov/irb/2008-44\\_IRB/ar15.html](http://www.irs.gov/irb/2008-44_IRB/ar15.html);
- Rev. Proc. 2009-16, 2009-6 I.R.B. 449, available at [www.irs.gov/irb/2009-06\\_IRB/ar10.html](http://www.irs.gov/irb/2009-06_IRB/ar10.html); and
- Rev. Proc. 2009-33, 2009-29 I.R.B. 150, available at [www.irs.gov/irb/2009-29\\_IRB/ar09.html](http://www.irs.gov/irb/2009-29_IRB/ar09.html).

For more information on the special depreciation allowance, see the Instructions for Form 4562 and Pub. 946, How To Depreciate Property.

## Lines 17a and 17b

**Corporations.** If the corporation has undergone a post-1986 ownership change (as defined in section 382(g)), section 383 may limit the amount of tax that may be offset by pre-change general business credits. Also, if a corporation acquires control of another corporation (or acquires its assets in a reorganization), section 384 may limit the amount of tax attributable to recognized built-in gains that may be offset by pre-acquisition general business credits. If either of these limitations apply, attach a computation of the allowable general business credit, enter the amount on lines 17a and 17b, and write "Sec. 383" or "Sec. 384" in the margin next to your entry on lines 17a and 17b.

## Line 18

**Note.** If you have any prior year unallowed passive activity credit carryover from Form 8844, Empowerment Zone and Renewal Community Employment Credit, that does not appear on Part III, line 3, but would be included on line 24, complete lines 18 through 26.

If you entered an amount on line 3 (for the empowerment zone or renewal community employment credit) on any Parts III with box A, B, C, or D checked, or if you have prior year unallowed passive activity credit carryover for this credit, multiply line 14 by 75% (.75). All others skip lines 18 through 25 and enter zero on line 26.

## Line 24

Enter the applicable passive activity credit amount for the empowerment zone and renewal community employment credit

allowed from Form 8582-CR or Form 8810. The passive activity credit amount allowed on line 24 only applies to the empowerment zone and renewal community employment credit reported on Part III, line 3, plus any prior year unallowed passive activity empowerment zone and renewal community employment credit. See the instructions for the applicable form for details.

See the instructions for Part I, line 3, for the definition of a passive activity.

## Line 33

Enter the applicable passive activity credit amount for general business credits allowed against TMT and eligible small business credits allowed from Form 8582-CR or Form 8810. See the instructions for the applicable form for details.

The passive activity credit amount allowed on line 33 only applies to the general business credits from Part II, line 32, plus any prior year unallowed passive activity credit from general business credits reported on Part III, line 4, and eligible small business credit.

See the instructions for Part I, line 3, for the definition of a passive activity.

## Line 34

Enter the amount of all carryforwards to 2011 of unused credits that are reported from line 5 of Part III with box C checked and line 6 of Part III with box G checked.

**Note.** Individuals claiming the research credit from a sole proprietorship or pass-through entity do not include any carryforward of that credit on line 34. Instead, include the carryforward when figuring the research credit limitation on line 1c of any Parts III with the applicable box A, B, E, or F checked. See the instructions for Part I, line 4, for the required statement that must be attached to your tax return.

## Line 35

Use line 35 only when you amend your 2011 return to carry back unused credits from 2012. Enter the amount that is reported from line 5 of Part III with box D checked and line 6 of Part III with box H checked.

**Note.** Individuals claiming the research credit from a sole proprietorship or pass-through entity do not include any carryback of that credit on line 35. Instead, include the carryback when figuring the research credit limitation on line 1c of any Parts III with the applicable box A, B, E, or F checked.

## Line 38

If line 38 is smaller than the sum of Part I, line 6, and Part II, lines 25 and 36, see

*Carryback and Carryforward of Unused Credit*, earlier.

## Part III. General Business Credits or Eligible Small Business Credits

**TIP** *If more than one Part III is needed, write in your name(s) as shown on your return and your identifying number in the top margin of each Part III completed.*

Complete a separate Part III for each box checked. In addition, for each box A, B, E, or F checked, if you have a credit from more than one source and one of the sources is a pass-through entity, a separate Part III is needed for each pass-through entity for which you received the same credit. As a result, one checkbox could have multiple Parts III if you receive a single credit from multiple pass-through entities.

### Box A Through H

Check the box that identifies the credit being reported. For boxes E and F, eligible small business credits only apply to qualifying credits determined in 2010. See *Special Rules for Eligible Small Business Credits (ESBCs)*, earlier. You may be able to claim an eligible small business credit that was determined in 2010 if you received the credit from a pass-through entity.

### Box I

Check box I if you are reporting credits on more than one Part III with box A, B, E, or F checked. Part III with box I checked is used to consolidate the amounts from all Parts III with box A, B, E, or F by combining the amounts of each credit line from the Parts III with these boxes checked.

A consolidated Part III is needed if there is more than one Part III with box A, B, E, or F checked. More than one box A, B, E, or F means more than one individual letter box (for example, if there is more than one Parts III with box B checked, a consolidated Part III is needed to reflect the total of all the boxes B checked) or more than one combination of letters (for example, if there is a box A checked and a box B checked, a consolidated Part III is needed to reflect the total of boxes A and B).

### Column (b)

If you are reporting a credit from a pass-through entity, you must enter that pass-through entity's EIN under column (b) for that credit. A separate Part III will be needed to report the EIN of the pass-through entity and the amount of credit from that entity, if a credit is

received from more than one source and one of the sources is a pass-through entity. Column (b) is only completed for any Part III with box A, B, E, or F checked.

### Allocation of Certain Credits

The aggregate amount from each credit form is usually reported on the appropriate line of Form 3800, Part III, for the applicable boxes A, B, E, and F, to reflect self-generated credit sources and all pass-through entity sources. However, certain credits have limitations imposed. They include:

- Form 3468, Part III, line 12p – \$4,000 limitation for qualified small wind energy property (reported on line 4a);
- Form 8826, line 8 – \$5,000 limitation for the overall credit (reported on line 1e);
- Form 8881, line 5 – \$500 limitation for the overall credit (reported on line 1j);
- Form 8882, line 7 – \$150,000 limitation for the overall credit (reported on line 1k); and
- Form 8931, line 8 – \$2 million limitation for the overall credit (reported on line 1v).

In situations where there is a limitation on the credit amount, the limited amount allowed is allocated pro-rata and anything above the limitation is lost.

### Line Changes From Source Forms

The credit from the following source forms are reported on Form 3800, Part III, as indicated.

Source Form	Line Number	Form 3800, Part III
Form 8826	Line 8	Line 1e
Form 8874	Line 3	Line 1i
Form 8881	Line 5	Line 1j
Form 8882	Lines 7 or 9	Line 1k
Form 8896	Lines 8 or 10	Line 1m

### Lines 1a and 4a

If you are a cooperative described in section 1381(a), you must allocate to your patrons the investment credit in excess of your tax liability limit. Allocate to your patrons the portion, if any, of the investment credit on line 6 or line 36 in excess of line 16a or line 29, respectively. While any excess is allocated to patrons, any credit recapture applies as if you as the cooperative had claimed the entire credit.

### Line 1c

**Research credit limitation.** If you are an individual, the amount of the research

credit that may be included on line 1c is limited to the amount of tax attributable to your taxable income from the sole proprietorship or your interest in the pass-through entity (partnership, S corporation, estate, or trust) generating the credit. Figure the research credit limitation separately for each sole proprietorship or pass-through entity by using the following formula:

$$\text{Line 11} \times \frac{\text{Taxable income attributable to the sole proprietorship or your interest in the pass-through entity}}{\text{Your taxable income for the year}}$$

The sum of the fractions used for determining the limits cannot exceed one. The research credit used to determine the limitation is the sum of the current year credit (determined without regard to the limitation), any carryforwards of the credit not used in prior years, and any carryback of the credit from 2012. For information on how to compute your taxable income for the year, your taxable income attributable to the sole proprietorship, or your interest in the pass-through entity, see Regulations sections 1.41-7(c) and 1.53-3.

If in the current tax year you had no taxable income attributable to a particular business interest, you cannot claim any research credit this year related to that business.

If any of your research credit is not allowed to be used because of this limitation, see *Carryback and Carryforward of Unused Credit*, earlier.

### Line 1f

Cooperatives, estates, and trusts: enter the amount from Form 8835, line 12, and the applicable part of the amount from Form 8835, line 32. All others: enter the amount from Form 8835, line 10, and the applicable part of the amount from Form 8835, line 30. Do not enter an amount from Form 8835 that is included on Form 3800, line 4e.

### Line 1bb

Enter the total of the amounts shown in box 7 of the Schedules K-1 (Form 1065-B), Partner's Share of Income (Loss) From an Electing Large Partnership, you received from electing large partnerships (ELPs).

### Line 1zz

Enter any carryforward to 2011 of any unused credit from:

- Form 3468 (for years prior to 2008 for the rehabilitation credit) (for tax years beginning before October 4, 2008, for the energy credit);
- Form 5884 for years prior to 2007;
- Form 6478 for years prior to 2005;
- Form 8846 for years prior to 2007; or
- Form 8900 for years prior to 2008.

Also use line 1zz to enter any carryforward to 2011 of any unused credit from general business credits no longer covered on Form 3800 due to, and not limited to, expiration of a tax provision. The following list identifies these credits.

- Trans-Alaska pipeline liability fund credit.
- Credit for employers affected by Hurricane Katrina, Rita, or Wilma (Form 5884-A, Section A only).
- Hurricane Katrina housing credit (Form 5884-A, Section B only).
- Credit for affected Midwestern disaster area employers (Form 5884-A, Section A only).
- Employer housing credit (Form 5884-A, Section B only).
- Enhanced oil recovery credit (Form 8830).
- Credit for contributions to selected community development corporations (Form 8847).
- Welfare-to-work credit (Form 8861).
- New York Liberty Zone business employee credit (Form 8884).

Only Part III with box C checked is to be used with a line 1zz credit entry under column (c). No EINs are required under column (b).

**Note.** If an amount is entered on line 1zz, see the instructions for Part I, line 4 for the statement to attach.

### Line 4h

Form 8941 filers:

- Tax-exempt eligible small employers, other than certain farmers' cooperatives, do not report the credit for small employer health insurance premiums on line 4h. Eligible tax-exempt small employers will report this credit on Form 990-T, Exempt Organization Business Income Tax Return.
- Eligible small employers (other than tax-exempt eligible small employers) will enter the credit from Form 8941, line 16 or line 18.

See the Instructions for Form 8941 for more information.

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**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 Internal Revenue Code 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> . . . . .	18 hr., 53 min.
<b>Learning about the law or the form</b> . . . . .	1 hr.
<b>Preparing, copying, assembling, and sending the form to the IRS</b> . . . . .	1 hr., 20 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.

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