



**Note:** *The draft you are looking for begins on the next page.*

## **Caution: DRAFT—NOT FOR FILING**

This is an early release draft of an IRS tax form, instructions, or publication, which the IRS is providing for your information. **Do not file draft forms** and do **not** rely on draft forms, instructions, and pubs for filing. We incorporate all significant changes to forms posted with this coversheet. However, unexpected issues occasionally arise, or legislation is passed—in this case, we will post a new draft of the form to alert users that changes were made to the previously posted draft. Thus, there are never any changes to the last posted draft of a form and the final revision of the form. Forms and instructions are subject to OMB approval before they can be officially released, so we post drafts of them until they are approved. Drafts of instructions and pubs usually have some additional changes before their final release. Early release drafts are at [IRS.gov/DraftForms](https://www.irs.gov/DraftForms) and remain there after the final release is posted at [IRS.gov/LatestForms](https://www.irs.gov/LatestForms). Also see [IRS.gov/Forms](https://www.irs.gov/Forms).

Most forms and publications have a page on IRS.gov: [IRS.gov/Form1040](https://www.irs.gov/Form1040) for Form 1040; [IRS.gov/Pub501](https://www.irs.gov/Pub501) for Pub. 501; [IRS.gov/W4](https://www.irs.gov/W4) for Form W-4; and [IRS.gov/ScheduleA](https://www.irs.gov/ScheduleA) for Schedule A (Form 1040), for example, and similarly for other forms, pubs, and schedules for Form 1040. When typing in a link, type it into the address bar of your browser, not a Search box on IRS.gov.

If you wish, you can submit comments to the IRS about draft or final forms, instructions, or pubs at [IRS.gov/FormsComments](https://www.irs.gov/FormsComments). Include “NTF” followed by the form or pub number (for example, “NTF1040”, “NTFW4”, “NTF501”, etc.) in the body of the message to route your message properly. We cannot respond to all comments due to the high volume we receive and may not be able to consider many suggestions until the subsequent revision of the product, but we will review each “NTF” message. If you have comments on reducing paperwork and respondent (filer) burden, with respect to draft or final forms, please respond to the relevant information collection through the Federal Register process; for more info, click [here](#).



# Instructions for Form 3800

## General Business Credit

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

### Future Developments

For the latest information about developments related to Form 3800 and its instructions, such as legislation enacted after they were published, go to [IRS.gov/Form3800](https://www.irs.gov/Form3800).

### What's New

**Part I. Credits not allowed against tentative minimum tax (TMT).** Line 2 has been revised to include passive credit carryovers from Part IV. Lines 4 and 5 have been revised to include only non-passive carryforwards and carrybacks.

**Part II.** Part II is renamed to “Figuring Credit Allowed After Limitations.” New section headings—A, B, and C—were added to indicate the lines of Part II applicable to credit limitations under sections 38(c)(1), 38(c)(2), and 38(c)(4). Section D was added to report credits allowed after limitations.

**Part III. Current year general business credits.** New columns have been added and several columns have been repositioned or renamed.

- Columns (d) and (e) are for passive and non-passive credits, respectively.
- Column (g) combines non-passive credits from column (e) with amounts transferred in or out, shown in column (f).
- Column (i) is the amount of column (g) applied against tax in Part II.
- Note that column (g) may include both passive and non-passive credits; the passive credits are applied only against tax in Part II arising from passive activities.
- Column (j) is the net elective payment election (EPE) amount, which is the smaller of column (h) or column (g) minus column (i).

**Part IV. Carryovers of general business credits.** Part IV has been updated. The column for eligible small business credit (ESBC) carryforwards on the 2023 Form 3800 has been removed; report these credits on the 2024 Form 3800, Part IV, line 4y.

- Column (a) is used to indicate how many items of carryovers from Part VI are included in Part IV for each listed credit. If there is no breakdown for a credit on Part VI, leave column (a) of Part IV blank.
- Column (b) is used to show the latest year from which carryforwards arise. However, if there is a carryback from 2025 to 2024, enter “2025” in column (b).
- Columns (d) and (e) are for credits subject to the passive activity credit limits.
- Column (g) is the amount of columns (e) and (f) applied against tax in Part II. The passive credits are applied only against tax in Part II arising from passive activities.
- Column (h) is the amount of columns (e) and (f) recaptured or otherwise adjusted.
- Column (i) is the carryforward to 2025, which is the sum of columns (g) and (h) subtracted from the sum of columns (e) and (f).

**Part V. Breakdown of aggregate amounts on Part III for facility-by-facility, multiple pass-through entities, etc.** This part is used by filers who have more than one elective payment

or transfer registration number on their source credit forms for a particular Inflation Reduction Act of 2022 (IRA 2022) credit or a Creating Helpful Incentives to Produce Semiconductors Act of 2022 (CHIPS 2022) credit; or by partners or S corporation shareholders who have received more than one Schedule K-1 allocating to them the same credit (whether or not IRA 2022 or CHIPS 2022). This part has been expanded to provide more detailed reporting of current-year passive and non-passive credits, EPEs, and transfer elections.

**Part VI. Breakdown of aggregate amounts in Part IV.** New columns have been added in this part for passive and non-passive credits.

**Clean electricity production credit under section 45Y.** The clean electricity production credit figured on new Form 7211 is reported on Form 3800, Part III, line 1gg. This credit is available for filers with 2024 fiscal tax years ending in 2025. See the Instructions for Form 7211 for more information.

**Clean fuel production credit under section 45Z.** The clean fuel production credit figured on new Form 7218 is reported on Form 3800, Part III, line 1q. This credit is available for filers with 2024 fiscal tax years ending in 2025. See the Instructions for Form 7218 for more information.

**Clean electricity investment credit under section 48E.** The clean electricity investment credit figured on new Part V of Form 3468 is reported on Form 3800, Part III, line 1v. This credit is available for filers with 2024 fiscal tax years ending in 2025. See the Instructions for Form 3468 for more information.

### Reminders

**Item A.** Item A requires a response concerning whether you are an applicable corporation under the Corporate Alternative Minimum Tax (CAMT) and an applicable taxpayer under the Base Erosion Anti-Abuse Tax (BEAT).

**Pre-filing registration requirement.** If you intend to make an elective payment election (EPE) and/or a transfer election on Form 3800, you must complete a pre-filing registration before you file your tax return. See [Registering for and Making Elective Payment and Transfer Elections](#), later.

**Elective payment election (EPE).** Applicable entities and electing taxpayers can elect to treat certain IRA 2022 business credits as elective payments. Certain eligible taxpayers can elect to treat CHIPS 2022 credits as elective payments. Any overpayments may result in refunds. See [Elective Payment of Certain Business Credits Under Section 6417 or Section 48D](#), later.

**Transferring credits.** Taxpayers may make an election to transfer all or a portion of certain IRA 2022 credits. See [Transfer of Eligible Credits Under Section 6418](#), later.

### General Instructions

**TIP** *Partnerships and S corporations must always complete the source credit form unless they received the credit as a transfer from an unrelated eligible taxpayer. All other filers whose only source for a credit listed in Form 3800, Part III, is from a partnership, S corporation, estate, trust, or cooperative,*

or who received the credit as a transfer from an unrelated eligible taxpayer, report the credit directly on Form 3800. The following exceptions apply (unless you received the credit as a transfer from an unrelated eligible taxpayer).

- You are claiming the investment credit (Form 3468) or the biodiesel, renewable diesel, or sustainable aviation fuel credit (Form 8864).
- You are an estate or trust and the source credit must 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.
- You are 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.

## Who Must File

You must file Form 3800 and the credit source form(s) to claim any of the general business credits.

**Partnerships and S corporations.** Partnerships and S corporations that make EPEs, transfer elections (as transferor), or receive a credit from a transfer (as transferee) must complete the name and identifying number boxes on page 1 and the applicable lines of Parts III and V. Complete only the lines for credits for which an EPE or transfer election is made. Attach Form 3800 to your Form 1065 or Form 1120-S. See the instructions for Form 1065 at [IRS.gov/Form1065](https://www.irs.gov/Form1065) or Form 1120-S at [IRS.gov/Form1120S](https://www.irs.gov/Form1120S). Partners and shareholders report their share of each transferred credit received from partnerships and S corporations on the applicable line of Part III of the partner's or shareholder's Form 3800.

**Applicable entity.** An applicable entity that makes an EPE for certain IRA 2022 credits must complete Form 3800 and its tax return. See *Applicable entity making an EPE on IRA 2022 credits*, below, for more information.

## Additional Information

### EPEs and Transfer Elections

CHIPS 2022 and IRA 2022 allow applicable entities or certain taxpayers to treat certain business credits as payments of federal income tax, or, in the case of partnerships or S corporations, to allow payments in the amount of such credits.

**Applicable entity making an EPE on IRA 2022 credits.** IRA 2022 extends, modifies, or creates several energy-related investment and production tax credits. These credits are taken as general business credits. IRA 2022 also created section 6417, which permits an applicable entity to make an EPE with respect to each applicable credit reported in Part III.

An applicable entity is defined as any of the following.

- An organization exempt from the tax imposed by subtitle A by reason of subchapter F of chapter 1 of subtitle A;
- The government of any U.S. territory or political subdivision or instrumentality thereof;
- Any state, the District of Columbia, or a political subdivision or instrumentality thereof;
- The Tennessee Valley Authority;
- An Indian tribal government or a subdivision or instrumentality thereof;
- Any Alaska Native Corporation (as defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(m))); and
- Any corporation operating on a cooperative basis that is engaged in furnishing electric energy to persons in rural areas.

**Taxpayer making an EPE for certain IRA 2022 credits.** In addition to these applicable entities, certain taxpayers (as defined under sections 6417(d)(1)(B), 6417(d)(1)(C), and

6417(d)(1)(D)); and partnerships and S corporations under section 6417(c), can make the EPE for the clean hydrogen credit, the carbon oxide sequestration credit, and the advanced manufacturing production credit reported in Part III.

**Note.** The definition of "eligible taxpayer" in IRA 2022 is different from the definition of "eligible taxpayer" in CHIPS 2022.

**Eligible taxpayer making an election to transfer certain IRA 2022 credits.** IRA 2022 also allows eligible taxpayers (taxpayers not described in section 6417(d)(1)(A)) and, separately, partnerships and S corporations under section 6418(c) to make elections to transfer certain IRA 2022 business credits (or a portion thereof) reported in Part III to an unrelated person for cash.

**Eligible taxpayer making an EPE for CHIPS 2022 credit.**

Under CHIPS 2022, an eligible taxpayer (as defined under section 48D(c)), partnerships, and S corporations can make the EPE under section 48D(d) for the advanced manufacturing investment credit.

See the specific instructions for Part III to make the EPEs and transfer elections.

### Registering for and Making EPEs and Transfer Elections

If making an EPE or transfer election, you must do the following.

1. Prior to completing an election on Form 3800, you must get a registration number for each facility or property. Go to [IRS.gov/Register for Elective Payment or Transfer of Credits](https://www.irs.gov/Register-for-Selective-Payment-or-Transfer-of-Credits). Also, see Pub. 5884, Inflation Reduction Act (IRA) and CHIPS Act of 2022 (CHIPS) Pre-Filing Registration Tool, for more information about registering prior to making an election.
2. Complete the required form(s) (for example, Form 3468) on which you figure the specific general business credit(s). When completing a specific general business credit form, you must provide the registration number you received after completing step 1. You may also have to attach any information required regarding the entries made on the specific general business credit form.
3. Complete the required lines on Form 3800. If you're liable for tax, you must first consider if any part of the general business credit(s) may be applied against tax. See *Part I* and *Part II* and [Credit Ordering Rule](#), later, for when making an EPE. To make the election, you will need to complete the appropriate line(s) in Part III. See *Part III. Current Year General Business Credits*, later, for more information. In addition, you may also need to complete Part V. See *Part V. Breakdown of Aggregate Amounts in Part III for Facility-by-Facility, Multiple Pass-Through Entities, etc.*, later, for information regarding when you must complete Part V.
4. Attach all specific general business credit forms and Form 3800 to your return. See *Part III*, later, and your return instructions for where to report the election.

**Note.** Completion of the pre-filing registration requirements and receipt of a registration number do not, by themselves, mean that you have earned the credit and made a proper election under section 48D(d), 6417, or 6418.

A registration number is valid only for the tax year for which it was obtained. It must be renewed if an election is sought in a subsequent year. Changes with respect to one or more credit properties, including changes in ownership, require an amended registration to reflect the new facts.

For more information, see Regulations sections 1.48D-6, 1.6417-5, and 1.6418-4.

## Carryback and Carryforward of Unused Credit

For purposes of carryback and carryforward rules, unused credit means the sum of business credits carried forward to your tax year on Part IV, plus the amount of your net current credits on Part III, column (g), that exceeds the sum of any amount of such business credits allowed against your net income tax in Part II, line 38.



*The carryforward must be reduced if there has been a recapture or other downward adjustment.*

If you can't use part or all of your general business credit because of the tax liability limit (Part II, line 38, is less than the sum of Part I, line 6, and Part II, lines 25 and 36), carry the unused credit back to prior years. The carryback period is generally 1 year. To carry back an unused credit, file an amended return (Form 1040-X, Amended U.S. Individual Income Tax Return; Form 1120-X, 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.



*In general, 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. However, this general rule does not apply to unused credits listed in section 6417(b), which may be carried back 3 tax years. A "specified credit" listed in section 38(c)(4)(B) cannot be carried back to any tax year before the first tax year for which that specified credit was allowed against TMT unless it is a credit listed in section 6417(b). See [Credit Ordering Rule](#), later, to determine which credits are allowed first.*

In general, unused general business credits may be carried back 1 year and carried forward 20 years. Unused marginal oil and gas well production credits may be carried back 5 years and carried forward 20 years. Unused credits listed in section 6417(b) may be carried back 3 years and carried forward 20 years.

Any qualified business credits (as defined in section 196(c)) that are unused after the last tax year of the 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 carryforward period, or
- The tax year in which the individual taxpayer dies or other taxpayer ceases to exist.

**Figuring the carryforward if a payroll tax credit election is made.** Qualified small businesses electing to claim a portion of the research credit as a payroll tax credit must adjust the research credit carryforward for the amount of the credit elected as a payroll tax credit on Form 6765, Credit for Increasing Research Activities.



*A qualified small business is defined differently than an eligible small business. See Qualified Small Business and Eligible Small Business in the Instructions for Form 6765 for definitions.*

The unused credit for the current year is determined by reducing the amount on Part I, line 6, and Part II, line 36, by the amount on Form 6765, line 36. If you have amounts on both Part I, line 6, and Part II, line 36, the reduction is made proportionately. No amount elected as a payroll tax credit can be

used to offset the current year tax liability nor can it be included in the carryforward or carryback calculation.

## 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 your spouse 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.

Credit amounts allowed as net EPE amounts in column (j) of Part III are treated as payments and are not considered used or unused credits for carryback and carryforward rules.

If your general business credits exceed your tax liability limit figured in Part II, the credits are generally used in the following order and based on the order shown under [Order in which credits are used](#), later.

- Credits reported on line 2 of Part III, column (g), plus line 6 of Part IV, columns (e) and (f).

- Credits reported on Part II, line 25.
- Specified credits reported on line 5 of Part III, column (g), plus line 5 of Part IV, columns (e) and (f).

**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 generally 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, qualifying therapeutic discovery project credit (carryforward only), advanced manufacturing investment credit, and clean electricity investment credit) (Form 3468, Parts II, III, IV, V, VI, and VII).
- Work opportunity credit (Form 5884).
- Biofuel producer credit (Form 6478).
- Credit for increasing research activities (Form 6765).
- Low-income housing credit (Form 8586).
- Enhanced oil recovery credit (Form 8830).
- Disabled access credit (Form 8826).
- Renewable electricity production credit (Form 8835).
- Empowerment zone employment credit (Form 8844).
- Renewal community employment credit (carryforward only).
- Indian employment credit (carryforward only).
- 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, Part I).
- Credit for employer-provided childcare facilities and services (Form 8882).
- Qualified railroad track maintenance credit (Form 8900).
- Biodiesel, renewable diesel (Form 8864).
- Low sulfur diesel fuel production credit (Form 8896).
- Credit for oil and gas production from marginal wells (Form 8904).
- Distilled spirits credit (Form 8906).
- Advanced nuclear power facility production (Form 7213, Part I).
- Nonconventional source fuel credit (carryforward only).
- Energy efficient home credit (Form 8908).
- Energy efficient appliance credit (carryforward only).
- Alternative motor vehicle credit (Form 8910, Part II).
- Alternative fuel vehicle refueling property credit (Form 8911, Part I).
- Mine rescue team training credit (carryforward only).
- Agricultural chemicals security credit (carryforward only).
- Credit for employer differential wage payments (Form 8932).
- Carbon oxide sequestration credit (Form 8933).
- Qualified plug-in electric vehicle credit (carryforward only).
- Clean vehicle credit (Form 8936, Part II).
- Credit for small employer health insurance premiums (Form 8941).
- Employee retention credit for employers affected by qualified disasters (carryforward only).
- Employer credit for paid family and medical leave (Form 8994).
- Credit for auto-enrollment (Form 8881, Part II).
- Zero-emission nuclear power production (Form 7213, Part II).
- Sustainable aviation fuel (Form 8864, line 8).
- Clean hydrogen production (Form 7210).
- Qualified commercial clean vehicle (Form 8936, Part V).
- Advanced manufacturing production (Form 7207).
- Clean electricity production credit (Form 7211).
- Clean fuel production credit (Form 7218).
- Military spouse retirement plan credit (Form 8881, Part III).
- General credits from an electing large partnership (carryforward only).

**Credit ordering for taxpayers making an EPE.** If you made an EPE for certain current credits reported on Part III, credit amounts allowed as a net EPE amount in column (j) of Part III are treated as payments and are not considered for carryback and carryforward rules.

An applicable entity with unrelated business income subject to tax under section 512 must use any applicable credit listed in section 6417(b) against that tax, regardless of whether the facility or property giving rise to the applicable credit was used in the unrelated business, to the extent the credit is not part of the net EPE amount in column (j) of Part III.

### Eligible Small Business

For purposes of the credit for increasing research activities (Form 6765), reported on Form 3800, Part III, line 4i; and the ESB credits, reported on Form 3800, Part IV, line 4y, 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 credit 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 414(o)) will be treated as employed by a single person.

**Treatment of partners and S corporation shareholders.** A partner or an S corporation shareholder cannot be treated as an eligible small business unless both the partnership or S corporation and partner or shareholder meet the gross receipts test, as discussed earlier, for the tax year that the credit is treated as a current year general business credit.

### Research Credit Claims on Amended Returns or Tax Equity and Fiscal Responsibility Act (TEFRA) Administrative Adjustment Requests (AAR), as Applicable

TEFRA partnerships and partners in TEFRA partnerships cannot file amended returns; they must instead file AARs. An AAR is a statutorily provided type of amended filing used to change TEFRA partnership items.

If you are claiming a refund or credit on an amended return or AAR (as applicable) that includes a section 41 credit for increasing research activities that either (a) was not reported on your original filed return, or (b) is increased from the amount reported on your original return, and the section 41 credit you're claiming on the amended return comes from a non-Bipartisan Budget Act (BBA) pass-through entity such as a(n) TEFRA partnership, S corporation, estate, trust, cooperative, or other non-TEFRA or non-BBA pass-through entity whose tax year

ended during the tax year for which you are filing your amended return, the following five items of information must be identified and provided with your claim for each business component.

1. The factual basis of your section 41 research credit claim.
2. The research activities performed.
3. The individuals who performed each research activity. A taxpayer may instead identify the individuals who performed each research activity by listing the individual's title or position.
4. The information each individual sought to discover.
5. The total qualified employee wage expenses, total qualified supply expenses, and total qualified contract research expenses incurred by the non-BBA pass-through entity for its claim year. This information may be provided by submitting a copy of the Form 6765 used by the non-BBA pass-through entity.

If you submit a credit study or other document, please identify the exact pages that contain the five items of information described above.

**Note.** The above requirements apply to all claimants, including sole proprietorships, per entity, regardless of business structure.

A taxpayer whose amended return includes a section 41 credit for increasing research activities from more than one non-BBA pass-through entity must separately provide the five items of information for each non-BBA pass-through entity.

Partners, shareholders, or other owners of a non-BBA pass-through entity should receive this information directly from the non-BBA pass-through entity, for example, in the form of an amended Schedule K-1 (and any statements attached thereto).

**Partners of BBA partnership.** BBA partnerships cannot file amended returns; they must instead file AARs. A BBA AAR is a statutorily provided type of amended filing used to change partnership-related items for any partnership tax year. If you are a partner of a BBA partnership and filing a return that includes a section 41 credit for increasing research activities from the BBA partnership's AAR, you may, but are not required to, include the five items of information with your return to which your Form 8978, Partner's Additional Reporting Year Tax, is attached if the BBA partnership has provided the information with its AAR.

## Specific Instructions

Complete and attach the appropriate credit forms used to figure your current year credit. See exceptions under [General Instructions](#), earlier.

**Item A. Corporate alternative minimum tax (CAMT) and base erosion anti-abuse tax (BEAT).** If you are both an "applicable corporation" within the meaning of section 59(k)(1) and "applicable taxpayer" within the meaning of section 59A(e), check "Yes." Otherwise, check "No."

## Part I. Credits Not Allowed Against Tentative Minimum Tax (TMT)

**Note.** For a summary of the 2024 changes to this part, see [What's New](#).



Complete Parts III, columns (a) through (h), IV, V, and VI (if applicable) before completing Parts I and II.

### Line 1

Non-passive credits from Part III, line 2: Combine column (e) with non-passive amounts from column (f).



Do not take into account any amount in column (f) from passive activities. See [Transfer of Eligible Credits Under Section 6418](#) and [Transferees of Eligible Credits Under Section 6418](#), later.

### Line 2

Report on line 2 the total of all passive activity credit amounts included on Part III, line 2, column (d); and passive amounts included on Part III, line 2, column (f); and Part IV, line 6, column (d).

### 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 Part I, line 3, only applies to the general business credits not allowed against TMT from Part I, line 2. Do not include specified credits on line 3.

If no credits are allowed, enter -0- on line 3.

### Line 4

Enter the amount of non-passive carryforwards to 2024 of unused credits that are reported from line 6 of Part IV, column (f).

**Check the box.** For each credit entered on line 4, if the credit amount was changed or revised from the amount originally reported, check the box on this line and see the instructions for Part IV and Part VI (if applicable) for the [required statement](#), later.

**Adjustment for the payroll tax credit.** A qualified small business that elected on Form 6765 to claim a portion of its research credit as a payroll tax credit must reduce its research credit carryforward by the amount elected as a payroll tax credit.

### Line 5

Use Part I, line 5, only when you amend your 2024 return to carry back unused credits from 2025. Enter the non-passive amount that is reported from line 6 of Part IV, column (f).

**Note.** Individuals claiming the research credit from a sole proprietorship or pass-through entity don't include any carryback of that credit on Part I, line 5, before figuring the limitation on Part III, line 1c. Include the carryback when figuring the research credit limitation on line 1c of Part III. Then, include the allowable carryback amount on Part I, line 5. See [Required statement](#), later, and attach the statement to your return.

## Part II. Figuring Credit Allowed After Limitations

**Note.** For a summary of the 2024 changes to this part, see [What's New](#).

### Section A

**Figuring Credit Allowed After Section 38(c)(1) Limitation Based on Amount of Tax**

### Line 7

**Individuals.** Enter the sum of the amounts from Form 1040, 1040-SR, or 1040-NR, line 16; and Schedule 2 (Form 1040), line 1z. Don't include any recapture of an education credit, any tax from Form 8621, any net tax liability deferred under section 965(i), or any triggering event under section 965(i).

**Corporations.** Enter the amount from Form 1120, Schedule J, Part I, line 2 (excluding the base erosion minimum tax entered on line 1f), or other applicable line of your return. Do not include any

deferred tax under section 1291, or additional tax under section 197(f).

**Estates and trusts.** Enter the amount from Form 1041, Schedule G, lines 1a, 1b, and 1d, plus any Form 8978 amount included on line 1e; or the amount from the applicable line of your return.

**Non-pass-through partners.** Partners other than pass-through partners (such as partnerships or S corporations) use Form 8978 and Schedule A (Form 8978)—not Form 3800—to calculate their reporting year tax net of credits. However, credit carryforwards resulting from a Form 8978 calculation are reported on the partner's next tax year's Form 3800, Parts IV and VI, if applicable. See Form 8978 and its instructions.

### Line 10b

Enter the total allowable credit, if any, from your tax return as follows.

**Individuals.** Enter the amount from Form 1040, 1040-SR, or 1040-NR, line 19; and Schedule 3 (Form 1040), lines 2 through 4, 5a, 5b, and line 7. Don't include any general business credit claimed on Form 3800, any prior year minimum tax, or any credit claimed on Form 8912, Credit to Holders of Tax Credit Bonds.

**Estates and trusts.** Enter the total of any write-in credits from Form 1041, Schedule G, line 2e; or the amount from the applicable line of your return.

**Corporations.** Enter the amount from Form 1120, Schedule J, line 5b (or the applicable line of your return). Corporations reporting a Form 8978 amount on Schedule J, line 5f, must also include this amount on line 10b. If line 11 is zero or less, these corporations must enter -0- on line 11, skip lines 12 through 15, and enter -0- on line 16.

### Line 13

**Special rules.** 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.

**Corporations.** Corporations are allowed a general business credit equal to 25% of the excess (if any) of net income tax over \$25,000. Net income tax means the sum of the regular tax liability and the tax imposed by the alternative minimum tax under section 55, reduced by certain other credits.

### Line 17

**C 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 Part II, line 17, and write "Sec. 383" or "Sec. 384" in the margin next to your entry on Part II, line 17.

## Section B

### Figuring Section 38(c)(2) Empowerment Zone and Community Renewal Employment Credit Allowed

### Lines 18 Through 26

These lines are used to claim the empowerment zone employment credit and the renewal community employment credit. Complete lines 18 through 26 only if you have entered an

amount for the empowerment zone employment credit on line 3 of Part III, column (d) or (e), or the renewal community employment credit on line 3 of Part III, column (d) or (e), or line 3 of Part IV, column (d) or (f).

### Line 22

Combine the amounts from Part III, line 3, column (e), with the sum of the non-passive activity credit amounts in Part IV, line 3, column (f). The carryforward and carryback for Form 8844 will flow to this line.

### Line 23

Enter the passive activity credit from Part III, line 3, column (d), plus the sum of the passive activity credit amount in Part IV, line 3, column (d).

### 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 Part II, 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. If no credits are allowed, enter -0- on line 24.

### Line 25

Add lines 22 and 24. If you have amounts on both line 23 and line 24, the total on line 25 will be comprised of both non-passive and passive credit amounts. Attach a statement providing a breakdown of the non-passive and passive credit amounts on line 25.



*Passive activity credit amounts generally can only be used to offset positive passive activity income.*

## Section C

### Figuring the Specified Credit Amount Allowed Under Section 38(c)(4)

### Line 30

Enter the general business credit from Part III, line 5. Combine column (e) with non-passive amounts in column (f). Do not take into account any amount in column (f) from passive activities. See *Caution* under *Line 1*, earlier.

### Line 32

Enter the sum of passive activity credits from Part III, line 5. Combine column (d) with passive amounts in column (f). Do not take into account any amount in column (f) from non-passive activities. See *Caution* under *Line 2*, earlier.

### 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 Part II, line 33, includes only the general business credits from Part II, line 32, plus any prior-year passive activity credit reported on Part IV, line 5, column (e).

If no credits are allowed, enter -0- on line 33.

## Line 34

Enter the amount of all carryforwards to 2024 of unused credits that are reported from Part IV, line 7, column (g).

**Check the box.** For each credit entered on line 34, if the credit amount was changed or revised from the amount originally reported, check the box on this line and see [Required statement](#).

**Note.** Individuals claiming the research credit from a sole proprietorship or pass-through entity don't include any carryforward of that credit on Part II, line 34, before figuring the limitation on Part III, line 1c and line 4i. Include the carryforward when figuring the research credit limitation on line 1c and line 4i of Part III. Then, include the allowable carryforward amount on Part II, line 34. See the instructions for the [required statement](#).

**Adjustment for the payroll tax credit.** A qualified small business that elected on Form 6765 to claim a portion of its research credit as a payroll tax credit must reduce its research credit carryforward by the amount elected as a payroll tax credit.

## Line 35

Use Part II, line 35, only when you amend your 2024 tax return to carry back unused credits from 2025. Enter the carryback amount that is reported in Part IV, line 7, column (g). You may not carry back specified credits, including ESB credits, to any tax year before the first tax year for which that specified credit was allowed against TMT.

**Note.** Individuals claiming the research credit from a sole proprietorship or pass-through entity don't include any carryback of that credit on Part II, line 35, before figuring the limitation on Part III, line 4i. Include the carryback when figuring the research credit limitation on Part III, line 4i. Then, include the allowable carryback amount on Part II, line 35. See [Required statement](#), later, and attach the statement to your return.

## Section D

### Credits Allowed After Limitations

## Line 38

If the sum of Part II, line 38, and Part III, line 6, column (j), is smaller than the sum of Part I, lines 1, 3, and 4, and Part II, lines 30, 33, and 34 (carryforwards and current business credits only), see [Carryback and Carryforward of Unused Credit](#), earlier.

## Part III. Current-Year General Business Credits

**Note.** For a summary of the 2024 changes to this part, see [What's New](#).

If you are claiming a current business credit on your tax return, you must complete the applicable lines and columns of Part III. This requirement includes applicable entities and certain taxpayers, partnerships, and S corporations making an EPE, eligible taxpayers making a transfer election under section 6418, and transferees of a credit under section 6418. Complete columns (b), (c), (f), (h), (i), and (j) of Part III (as applicable) only if you are making the EPE under section 6417, the transfer election under section 6418 (as transferor), or receive a credit from a transfer (as transferee). Complete columns (b), (c), (h), (i), and (j) of Part III, as applicable, if you are making the election under section 48D.

Partnerships and S corporations that are transferees of credits from an eligible taxpayer under section 6418 report on the applicable line of Part III and Part V (if applicable) of Form 3800. Complete column (a) of Part III and complete Part V only if you are reporting more than one facility or more than one pass-through entity as sources for any one credit.

Partners and shareholders report your share of each IRA 2022 credit transferred to a partnership and S corporation on the applicable line of Part III and Part V (if applicable) of Form 3800. Complete column (c) of Part III only if you are receiving the credit on a Schedule K-1 from a pass-through entity or receive (as transferee) an eligible credit under section 6418 from an unrelated taxpayer.

## Elective Payment of Certain Business Credits Under Section 6417 or Section 48D

An [applicable entity](#), as defined in section 6417(d)(1)(A), can elect to treat current applicable credits as payments against the tax imposed by subtitle A for its tax year. Because applicable credits must first be applied to tax (if any) before being treated as a payment, amounts treated as a payment (net payment election amounts) are limited to the total of unused credits (without application of any EPE). See [Credit Ordering Rule](#), earlier. Applicable credits reported in Part III, column (h), include the following.

- Alternative fuel vehicle refueling property, section 30C(d)(1), Form 8911, Part I.
- Renewable electricity production, section 45, Form 8835 for qualified facilities after 2022, Part II.
- Carbon oxide sequestration, section 45Q, Form 8933 for carbon-capture equipment placed in service after 2022, Part III.
- Zero-emission nuclear power production, section 45U, Form 7213, Part II.
- Clean hydrogen production, section 45V, Form 7210, Part IV.
- Qualified commercial clean vehicles, section 45W, Form 8936, Part V, but not including credits passed through from partnerships or S corporations. See the instructions for Form 8936.
- Advanced manufacturing production, section 45X, Form 7207, Part II.
- Energy credit, section 48, Form 3468, Part VI.
- Qualifying advanced energy project, section 48C, Form 3468, Part III.
- Clean electricity production, section 45Y, Form 7211.
- Clean fuel production, section 45Z, Form 7218.
- Clean electricity investment, section 48E, Form 3468, Part V.

Taxpayers that are not applicable entities, including partnerships and S corporations, may elect to be treated as applicable entities but only with respect to the following applicable credits reported in Part III, column (h).

- Carbon oxide sequestration for capture equipment placed in service after 2022, Form 8933, Part III.
- Clean hydrogen production, Form 7210, Part IV.
- Advanced manufacturing production, Form 7207, Part II.

Taxpayers, including partnerships and S corporations, may also elect payment for advanced manufacturing investment, section 48D, Form 3468, Part IV, reported on line 1o, column (h), of Part III.

To make an EPE, if you have multiple facilities for which you're claiming one of the above credits, complete Part V and then Part III. In Part V, list each facility; in Part III, combine the amounts from all facilities for each credit and enter in column (b) the first registration number obtained for each credit. If you have only one facility for which you're claiming any one of the above credits, do not complete Part V. Complete each line on Part III for which you're claiming an elective payment using the instructions under [Columns \(a\) through \(j\)](#), later.

## Transfer of Eligible Credits Under Section 6418

[Eligible taxpayers](#) can elect to transfer the following eligible credits.

- Alternative fuel vehicle refueling property, section 30C(d)(1), Form 8911, Part I.



- Renewable electricity production, section 45, Form 8835, Part II.
- Carbon oxide sequestration, section 45Q, Form 8933, but not including the credit made under section 45Q(f)(3)(B) election, Part III.
- Zero-emission nuclear power production, section 45U, Form 7213, Part II.
- Clean hydrogen production, section 45V, Form 7210, Part IV.
- Advanced manufacturing production, section 45X, Form 7207, Part II.
- Energy credit, section 48, Form 3468, Part VI, but not including the credit under section 50(d)(5) and Regulations section 1.48-4.
- Qualifying advanced energy project credit, section 48C, Form 3468, Part III.
- Clean electricity production credit, section 45Y, Form 7211.
- Clean fuel production credit, section 45Z, Form 7218.
- Clean electricity investment, section 48E, Form 3468, Part V.

To make the transfer election, if you have multiple facilities for which you're claiming one of the above credits, complete Part V and then Part III. In Part V, complete a line for each facility. In column (a) of Part V, indicate the line number of the credit as shown in Part III. In Part III, combine the amounts from all facilities for each credit and enter in column (b) the first registration number obtained for each credit. If you have only one facility for which you're claiming any one of the above credits, do not complete Part V.

Complete each line in Part III for which you're electing to transfer an eligible credit as transferor or claiming an eligible credit as transferee using the instructions under [Columns \(a\) through \(j\)](#), later.

**Basis reduction when certain credit transfers are made.** If an energy investment credit (section 48), qualifying advanced energy project credit (section 48C), or clean electricity investment credit (section 48E) is transferred, the basis reduction rule of section 50(c) applies to the applicable investment credit property as if the transferred eligible credit was allowed to the eligible taxpayer.

**Transfer election statement.** An eligible taxpayer and transferee taxpayer **must** each attach a transfer election statement to their respective return. They can use any document for this purpose, such as a purchase and sale agreement labeled "Transfer Election Statement," that includes the following information.

1. Name, address, and taxpayer identification number of the transferee taxpayer and the eligible taxpayer. If the transferee taxpayer or eligible taxpayer is a member of a consolidated group (as defined in Regulations section 1.1502-1), then only include information for the group member that is the transferee taxpayer or eligible taxpayer (if different from the return filer).

2. A statement that provides the information and amounts necessary to allow the transferee taxpayer to take into account the credit transferred, including the following.

a. The form number and part number (if applicable) of the credit as shown on the applicable line of Form 3800, Part III (for example, advanced manufacturing production credit is "Form 7207" on line 1b of Part III); the total amount of the credit determined with respect to the facility or property in column (d) or (e); and the amount of the transferred credit (or a portion thereof) in column (f). If you have more than one transfer registration number for a particular credit, complete the applicable lines and columns of Part V before completing Part III.

b. The tax year of the eligible taxpayer and the first tax year in which the credit portion will be taken into account by the transferee taxpayer.

c. The amount(s) of the cash consideration and date(s) on which paid by the transferee taxpayer.

d. The IRS-issued registration number related to the facility or property in column (b) of Part III or V.

3. A statement attesting that the eligible taxpayer or any member of its controlled group is not related to the transferee taxpayer or any member of its controlled group within the meaning of section 267(b) or section 707(b)(1).

4. A statement or representation from the eligible taxpayer that it has complied with all requirements of section 6418 and the eligible credit code section, including, but not limited to, prevailing wage, apprenticeship, and domestic content requirements (if applicable).

5. A statement or representation from the eligible taxpayer and the transferee taxpayer acknowledging the notification of recapture requirements under section 6418(g)(3) (if applicable).

**Required minimum documentation.** The eligible taxpayer must provide to a transferee taxpayer the following minimum documentation.

1. Information that validates the existence of the eligible credit property, which could include evidence prepared by a third party (such as a county board or other governmental entity, a utility, or an insurance provider);

2. If applicable, documentation substantiating that the eligible taxpayer has satisfied the requirements to include any bonus credit amounts (as defined in Regulations section 1.6418-1(c)(3)) in the eligible credit that was part of the transferred credit portion; and

3. Evidence of the eligible taxpayer's qualifying costs in the case of a transfer of an eligible credit that is determined based on investment, or the amount of qualifying production activities and sales amounts, as relevant, in the case of a transfer of an eligible credit that is a production credit.

## Transferees of Eligible Credits Under Section 6418

A transferee taxpayer, including a partnership or an S corporation, which receives an eligible credit (or a portion thereof) from an unrelated eligible taxpayer, takes that credit into account in its first tax year ending with, or after, the tax year of the eligible taxpayer that otherwise earned and reported the credit on the appropriate source credit form. The transferee taxpayer (and not the eligible taxpayer) is treated as the taxpayer with respect to such credit (or a portion thereof).

To report the transferred credit on Form 3800, if there are multiple facilities for which you're receiving one of the eligible credits, complete Part V and then Part III. In Part V, list separately the credit transferred from each facility or from each pass-through entity using the registration number(s) provided by the transferor(s). In Part III, combine the amounts from all facilities and all pass-through entities for each credit. Enter in column (b) the first registration number obtained for each credit. If there is only one facility or one pass-through entity from which you have received a credit transfer of one of the above credits, you do not need to use Part V.



*If you are a transferee, including a partnership or an S corporation, that paid cash for an eligible credit, attach each transfer election statement to your return to report any transferred credits in Parts III and V.*

## Columns (a) Through (j)

**Current year credits.** Current year general business credits available are listed by form number in the first column.

**Column (a), Number of items.** If in Part V you listed multiple facilities or multiple pass-through entities for any credit, enter in column (a) of Part III the number of facilities and/or pass-through

entities listed for that credit in Part V. Otherwise, you can leave column (a) blank. Do not enter figures in the total rows for column (a).

**Column (b), Elective payment or transfer registration number.** If an EPE or a transfer election has been made, enter the registration number (as shown on the source credit form) in column (b). If there are multiple facilities for the same credit listed in Part V, enter in column (b) of Part III the first registration number listed for that credit in Part V. If you are not making an EPE or transfer election, leave column (b) blank. If you obtained a registration number for an IRA 2022 or CHIPS 2022 credit but later decide not to make an EPE or transfer election for that credit, leave column (b) blank.

**Column (c), Pass-through or transfer credit entity EIN.**

- Complete column (c) only if you are receiving the credit on a Schedule K-1 from a pass-through entity, or receiving as transferee the credit from an unrelated taxpayer.
- If you are reporting a credit allocated to you from a pass-through entity, enter that pass-through entity's employer identification number (EIN) under column (c) for that credit.
- If you are reporting a credit reported to you on Form 1099-PATR, Taxable Distributions Received From Cooperatives, enter that cooperative's EIN under column (c) for that credit.
- If there are multiple pass-through entities for the same credit, report the credit for each pass-through entity in Part V and then enter the EIN of the pass-through entity allocating the greatest amount of the credit to you in Part III, column (c).
- If you are reporting a transferred credit received from a transferor under section 6418, enter that transferor's EIN under column (c) for that credit.
- If there are multiple transferors for the same credit, report the credit for each transferor in Part V, and then enter the EIN of the transferor that transferred the greatest amount of the credit to you in Part III, column (c).

**Column (d), Credits subject to the passive activity limit, before application of the limit.** Enter your current-year credits that are subject to the passive activity limitations before the application of the passive activity credit limitations of Form 8582-CR or Form 8810. See section 469.

**Column (e), Credits not subject to the passive activity limits.** Enter the amount of your current-year credit that is not subject to the passive activity limitation of section 469 because of your material participation in the trade or business.

**Column (f), Credit transfer election amount.** Indicate the transfer election by entering the amount transferred by you to another entity as a negative number. If you are a transferee, enter the amount transferred to you as a positive number.

**Column (h), Gross elective payment election (EPE) amount.** Enter the amount of the gross EPE based on the total credit for which an EPE is being made before calculating the net EPE amount and before considering limitations from Part II. See [Line 6, column \(h\)](#), later.

**Column (i), Amount of column (g) applied against tax in Part II.** Use the [Order in which credits are used](#), earlier, to determine the order in which to apply your credits to your tax liability.

Credits carried forward (Part II, line 34) are applied to your tax liability before current year credits on Part III.

**Column (j), Net EPE amount.** The net EPE amount is the smaller of column (h) or column (g) minus column (i).

If you have no tax liability figured in Part II, enter the amount from column (h) as the net EPE amount in column (j).

If you are making an EPE for one credit, enter the figured net EPE amount in column (j).

If you are making EPEs for multiple credits and your figured net EPE amount is less than the sum of such credits, the net EPE amount and any remainder amount for each credit is determined based on the listing under [Order in which credits are used](#), earlier.

See the instructions for line 6 of Part III, column (j), below.

**Example 1.** In 2024, ABC is in the business of producing semiconductors at an advanced manufacturing facility. ABC claims a \$100,000 advanced manufacturing investment credit under section 48D. ABC also claims a \$60,000 credit for increasing research activities under section 41. ABC has no other business credits for the current year, and no carryforward credits.

ABC reports its research credit from Form 6765 on Form 3800, Part III, line 1c. ABC leaves blank columns (a), (c), and (d). ABC enters \$60,000 in columns (e) and (g). After going through the steps discussed later in this example, ABC enters \$60,000 in column (i).

ABC reports its advanced manufacturing investment credit and makes an EPE on Form 3800, Part III, line 1o. Column (a) is left blank because this credit is being claimed based on one facility on Form 3468, Part IV. (If ABC had multiple advanced manufacturing facilities, it would have obtained a registration number for each facility and would list those facilities separately in Part V of Form 3800 and provide the aggregate amounts in Part III.) Column (b) is the IRS-issued registration number. Column (c) is left blank because there is no pass-through entity or credit transferor in this scenario. Column (d) is left blank because this credit is for a non-passive activity for ABC.

Column (e) is \$100,000, the amount of the section 48D credit for ABC, figured on Form 3468, Part IV. Column (f) is left blank because ABC isn't transferring credit. Column (g) is \$100,000, which combines column (e), \$100,000, with columns (f) and (d), neither of which apply to ABC. Column (h) is \$100,000, the gross EPE amount that ABC is claiming. Before completing column (i) or (j), ABC enters \$160,000 on line 1 of Part I. This is the \$100,000 section 48D credit plus the \$60,000 section 41 credit. ABC completes Part I and figures the credit limitation amount in Part II. For purposes of this example, ABC has \$100,000 of net income tax on line 11 of Part II and \$81,250 of credits allowed for the current year on line 38 of Part II.

Back on Part III, ABC figures column (i), which is the amount of column (g) applied against tax in Part II. ABC also figures the net EPE amount for column (j). ABC determines the excess of its available business credits of \$160,000 (without application of any EPE amount) reported on Part III, line 6, columns (e), (f), and (g), over the allowable credits of \$81,250 included on Part II, line 38. The excess is \$78,750, which is less than \$100,000, the credit for which an election is made. So the net EPE amount is \$78,750. The remaining \$21,250 of the advanced manufacturing investment credit and the \$60,000 research credit comprise the \$81,250 on Part II, line 38. ABC enters \$78,750 on line 1o, column (j), of Part III. This net EPE amount is also reported on the designated line of ABC's tax return. See the instructions for line 6 of Part III, columns (h) and (j), later.

**Example 2.** In 2024, XYZ, an applicable entity, places energy investment property in service and claims an energy credit for \$100,000 under section 48. This energy investment property is not used with its unrelated business. XYZ also claims a credit in connection with its unrelated business. XYZ also has a qualified railroad track maintenance credit carryforward of \$10,000 from 2023. XYZ does not have any other general business credits.

XYZ reports its qualified railroad track maintenance credit on Form 3800, Part III, line 4g. Columns (a), (c), and (d) are left blank. XYZ enters \$50,000 in column (e), credits not subject to

the passive activity limits, and that amount is also reported in column (g).

XYZ reports its \$10,000 from qualified railroad track maintenance carryforward amount in Part IV. This amount is entered on line 4 of Part I.

XYZ reports its energy credit from Form 3468, Part VI, on Form 3800, Part III, line 4a. XYZ makes an EPE for the credit in the course of completing line 4a as follows. Column (a) is left blank because XYZ has only one facility. The IRS-issued registration number is entered in column (b). Column (c) is left blank because there is no pass-through entity in this scenario and XYZ is not transferring any credit. Column (d) is left blank because this is not a passive activity for XYZ. In column (e), \$100,000 is entered, which is the amount of the energy credit for XYZ figured on Form 3468, Part VI. Column (f) is left blank because XYZ is not transferring any credit. In column (g), \$100,000 is entered from column (e). In column (h) \$100,000 is entered as the gross EPE amount.

Before completing Part III, column (i) or (j), XYZ enters \$100,000 of the energy credit plus \$50,000 of the qualified railroad track maintenance credit on Part II, line 30. XYZ determines the limitation amount figured in Part II. For purposes of this example, XYZ enters \$100,000 of net income tax on line 11 and \$81,250 on line 38 of Part II.

XYZ then figures the amount for Part III, line 4a, column (i) and XYZ determines the excess of its available carryforward and current business credits of \$160,000 (\$150,000 of current year credits plus \$10,000 of carryforward credit) over \$81,250 of allowable credits included on Part II, line 38. The excess, \$78,750, is less than \$100,000 entered in Part III, line 4a, column (h) (the credit for which an election is made), and so the net EPE amount entered in line 4, column (j) is \$78,750. As a result, the \$10,000 general business credit carryforward and the remaining \$21,250 of the energy credit and \$50,000 of the qualified railroad track maintenance credit comprise the Part II, line 38, credit allowed for the current year. In Part III, line 4a, XYZ enters \$21,250 in column (i) and \$78,750 in column (j).

This net EPE amount is also reported on the designated line of XYZ's return. See the instructions for line 6 of Part III, columns (h) and (j), below.

### Limitation on Certain Credits Reported in Part III

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

- Form 8826, line 8—\$5,000 limitation for the overall credit (reported on Part III, line 1e); and
- Form 8882, line 7—\$150,000 limitation for the overall credit (reported on Part III, line 1k).

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.

### Lines 1a, 1d, 1o, 1v, 4a, and 4k

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 Part I, line 6, or Part II, line 36, in excess of Part II, line 16 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.

**Note.** Any carryforward of the qualifying therapeutic discovery project credit may be claimed on Part IV, line 2w.

### Lines 1c and 4i



*A qualified small business must complete Form 3800 before completing Section D of Form 6765 if the payroll tax credit is being claimed. See the Instructions for Form 6765 for more details.*

Eligible small businesses, enter your research credit on line 4i. See the definition of [Eligible Small Business](#), earlier. All others, enter your research credit on line 1c.

Partners and S corporation shareholders, see [Treatment of partners and S corporation shareholders](#) under [Eligible Small Business](#), earlier.

**Research credit limitation.** If you are an individual, the amount of the research credit that may be included on Part III, line 1c or line 4i, 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.

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

The sum of the fractions used for determining the limits can't exceed 1. The research credit used to determine the limitation is the sum of the current year credit (determined without regard to the limitation), any carryforwards (adjusted for any payroll tax credit claimed) of the credit not used in prior years, and any carryback of the credit from 2025. For information on how to figure 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 can't claim any research credit this year related to that business. If any of your research credit isn't allowed to be used because of this limitation, see [Carryback and Carryforward of Unused Credit](#), earlier.

### Line 1e

When reporting the disabled access credit from Form 8826 on Part III, line 1e, don't enter more than \$5,000.

### Line 1f

Cooperatives, estates, and trusts, enter the applicable part of the amount from Form 8835, Part II, line 17. All others, enter the applicable part of the amount from Form 8835, Part II, line 15. Don't enter an amount from Form 8835 that is included on Form 3800, Part III, line 4e.

### Line 1k

When reporting the credit for employer-provided childcare facilities and services from Form 8882 on Part III, line 1k, don't enter more than \$150,000.

### Line 1bb

Enter the amount from Form 8904, Credit for Oil and Gas Production from Marginal Wells, line 8, or from the applicable line of your Schedule K-1. See the Instructions for Form 8904 for more information.

## Line 1ff

Enter the amount from Form 8864, Biodiesel, Renewable Diesel, or Sustainable Aviation Fuels Credit, line 8.

## Lines 4a Through 4z

Enter the amount of the specified credit on the applicable line. See also the instructions for lines 1c and 4i, earlier.

## Line 4h

Tax-exempt eligible small employers, other than certain farmers' cooperatives, don't report the credit for small employer health insurance premiums on Part III, line 4h. Eligible tax-exempt small employers will report this credit directly on line 6f of Part III of Form 990-T.

## Line 6, column (f)

If you are a partnership or S corporation that received eligible credit(s) from a transferor(s) under a section 6418 election, report the positive amounts included in the total of line 6, column (f), on Schedules K and K-1. See the instructions for Form 1065 and Form 1120-S for the information that you must provide to your partners or shareholders to report their distributive shares of such credits on their Forms 3800 attached to their income tax returns.

Partners and shareholders enter the distributive share of each transferred credit on the applicable line of their Form 3800, Part III.

## Line 6, column (h)

Partnerships and S corporations report the total gross EPE amount from Part III, line 6, column (h), on the designated line of your return, shown below. Copy the amount from column (h) to column (j). See also the instructions for Forms 1065 and 1120-S for additional reporting information.

- Form 1120-S, U.S. Income Tax Return for an S Corporation, line 24d.
- Form 1065, U.S. Return of Partnership Income, line 29.

A taxpayer reporting an amount on Form 990-T that doesn't have unrelated business taxable income (UBTI) does not need to complete Part I and Part II of Form 3800.

## Line 6, column (j)

If you are required to complete Parts I and II of Form 3800 to determine the general business credit(s) allowed for the current year (if any), report the total net EPE amount from Part III, line 6, column (j), on the designated line of your return shown below.

- Form 1120, U.S. Corporation Income Tax Return, Schedule J, line 22.
- Form 1120-F, U.S. Income Tax Return of a Foreign Corporation, line 5j.
- Form 1120-L, U.S. Life Insurance Company Income Tax Return, line 27h.
- Form 1120-H, U.S. Income Tax Return for Homeowners Associations, line 23f.
- Form 1120-POL, U.S. Income Tax Return for Certain Political Organizations, line 23d.
- Form 1120-C, U.S. Income Tax Return for Cooperative Associations, line 30h.
- Form 1120-PC, U.S. Property and Casualty Insurance Company Income Tax Return, line 16f.
- Form 1120-RIC, U.S. Income Tax Return for Regulated Investment Companies, line 28g.
- Form 1120-REIT, U.S. Income Tax Return for Real Estate Investment Trusts, line 25g.
- Form 1041, U.S. Income Tax Return for Estates and Trusts, Schedule G, line 18a.

- Form 1041-N, U.S. Income Tax Return for Electing Alaska Native Settlement Trusts, line 19.
- Form 1041-QFT, U.S. Income Tax Return for Qualified Funeral Trusts, line 18.
- Form 990-T, Exempt Organization Business Income Tax Return, Part III, line 6g.
- Form 1040, U.S. Individual Income Tax Return, Schedule 3, line 13c.

## Part IV. Carryovers of General Business Credits (GBCs)

**Note.** For a summary of the 2024 changes to this part, see [What's New](#).

Use Parts IV and VI to record the carryforwards and carrybacks. The information on Parts IV and VI comes from your tax returns and schedules for prior years for carryforwards (and subsequent year, for carrybacks). These include Form 3800, Schedules K-1, and your related work papers. If you checked the boxes on Part I, line 4, and Part II, line 34, you must attach the required statement, discussed next. See [Carryback and Carryforward of Unused Credit](#), earlier.



*In general, 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.*

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

- Show the tax year in which 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 statement 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 carryforward allowed for that year.

**Note.** Individuals claiming the research credit from a sole proprietorship or pass-through entity don't include any carryforward of that credit on Part I, line 4, before figuring the limitation on Part III, line 1c. Include the carryforward when figuring the research credit limitation on line 1c of Part III. Then, include the allowable carryforward amount on Part I, line 4, and attach the statement required above.

**Adjustment for the payroll tax credit.** A qualified small business that elected on Form 6765 to claim a portion of its research credit as a payroll tax credit must reduce its research credit carryforward by the amount elected as a payroll tax credit.

**Column (a), Number of items.** If you have multiple source credit forms for the same credit, provide a breakdown in Part VI and enter in Part IV, column (a), the number of source credit forms for each credit.

**Column (b), Originating tax year.** Enter the tax year from which the carryover arises. This could be a prior year or, in the case of an amended return, the subsequent year. If there are various years for the same credit, enter the most recent year.

**Column (c), Pass-through entity EIN.** If the credit was allocated to you from a pass-through entity, enter the EIN of the pass-through entity. If multiple pass-through entities are listed for the credit in Part VI, enter the EIN of the entity allocating the greatest amount of the credit to you.

**Column (d), Carryovers subject to the passive activity limits before the passive activity limitations.** Enter the full amounts of credit carryovers earned in your passive activities.

**Column (e), Carryovers subject to the passive activity limits after the passive activity limitations.** Use Form 8810 or Form 8582-CR to figure the amounts of credits available to offset current-year tax on activities that, for you, are passive.

**Column (f), Carryovers not subject to the passive activity limits.** Enter credits earned in activities that, for you, are not passive.

**Column (g), Amount of columns (e) and (f) applied against tax in Part II.** Line 7 of this column should equal the sum of lines 34 and 35 of Part II.

**Column (h), Amount of columns (e) and (f) recaptured or otherwise adjusted.** Enter amounts you report as recaptured on Form 4255, as well as amounts adjusted on audit or otherwise.

**Column (i), Carryforward to 2025.** Subtract the sum of columns (g) and (h) from the sum of columns (e) and (f).

**Line 1.** Lines 1a through 1ff list the same credits shown on Part III, lines 1a through 1ff.

**Carryforward of certain other credits.** Use Part IV, line 1zz, to enter any carryforward to 2024 of any unused credit from the general business credits no longer listed on Form 3800 due to, for example, expiration of a tax provision. The pre-2008 section 42 low-income housing credit should be reported on Part IV, line 2b. The pre-2008 section 47 rehabilitation credit should be reported on Part IV, line 2zz.



If any carryforward amount is entered on Part IV, lines 1a through 1zz, see [Required statement](#), earlier.

**Line 2.** Lines 2a through 2x are for expired credits for which only carryforwards are allowed. Use line 2zz for the carryforward of any credit not listed for which only carryforwards are generally allowed, and write the name and form number of the credit on line 2zz in column (a). See [Required statement](#), earlier, if you revised any carryforwards on line 2.

**Line 3.** This line is for carryforwards and carrybacks of the empowerment zone credit (Form 8844) and carryforwards of the renewal community employment credit.

**Line 4.** Lines 4a through 4k are for carryforwards and carrybacks of specified credits identified in section 38(c)(4)(B).

**Line 4y.** If you were an [eligible small business](#) in tax year 2010, enter on this line carryforwards of credits from tax year 2010 claimed under Public Law 111-240, section 2013. Attach a statement identifying the credits and amounts of previously claimed carryforwards.

## Part V. Breakdown of Aggregate Amounts in Part III for Facility-by-Facility, Multiple Pass-Through Entities, etc.

**Note.** For a summary of the 2024 changes to this part, see [What's New](#).

If any of the amounts entered in Part III (aside from totals) are aggregate figures from more than one facility or more than one pass-through entity, provide breakdowns of those figures by EPE or transfer registration number and by the EIN of the pass-through entity, if applicable, in Part V. Use only the columns applicable for the particular credits you are reporting.

**Column (a), Part III line number.** Enter the applicable line number from the left margin of Part III. Include the numeral and the alpha character. For example, the line number in Part III for Form 7207 is 1b.

**Column (b), Elective payment or transfer registration number.** Enter the elective payment or transfer registration number obtained from the IRS for the credit or the facility.

**EIN. Column (c)(1), Pass-through entity EIN.** If you were allocated this credit by a pass-through entity, enter the EIN of the partnership or S corporation or other pass-through entity.

**EIN. Column (c)(2), Transferor entity EIN.** If you are a transferor or transferee of a credit under section 6418, enter the transferor's EIN.

**Credits subject to the passive activity limit.** List in columns (d)(1) through (d)(4) the credits that, for you, arise from passive activities as defined in section 469.

**Column (d)(1), Credits other than credit transfer election credits.** Enter credit amounts other than those to which the transfer provisions of section 6418 apply.

**Column (d)(2), Credit transfer election credits sold.** Enter credit amounts you transferred under section 6418.

**Column (d)(3), Credit transfer election credits purchased.** Enter credit amounts transferred to you under section 6418.

**Column (d)(4), Credits from columns (d)(1) (less column (d)(2)) and (d)(3) allowed after limit.** Subtract the amount in column (d)(2) from the amount in column (d)(1); then, add the amount in column (d)(3). Figure the amount allowed using Form 8582-CR, if applicable, and enter the result.

**Credits not subject to the passive activity limit.** List in columns (e), (f)(1), and (f)(2) the credits that, for you, arise from activities not defined in section 469 as passive activities.

**Column (e), Credits other than transfer election credits.** Enter credit amounts that are self-earned or allocated to you by a pass-through entity.

**Column (f)(1), Transfer election credits sold.** Enter credit amounts that you transferred under section 6418.

**Column (f)(2), Purchased transfer election credits not subject to passive activity limit.** Enter credit amounts transferred to you under section 6418.

**Column (g), Combine columns (d)(4), (e), (f)(1), and (f)(2).** Add columns (d)(4), (e), and (f)(2), and then subtract column (f)(1).

**Column (h)(1), Gross EPE amount. Portion of column (g) eligible for the section 6417 EPE election or the section 48D EPE.**

**Note.** Credits that are transferred by you or that are transferred to you under section 6418 are not eligible for the section 6417 EPE.

**Column (h)(2), Subtract column (h)(1) from column (g) (credit excluding EPE).** Subtracting column (h)(1) from column (g) gives the amount of credit that does not include the gross EPE amount. This subtraction result may include credit amounts that, for you, are subject to the passive activity rules of section 469, and therefore only applicable to tax on your passive activities.

**Column (i)(1), Amount of column (h)(2) applied against tax in Part II.** See [Order in which credits are used](#) to determine the order in which to apply your credits to your tax liability.

**Note.** Credits carried forward (Part II, line 34) are applied to your current-year tax liability before current-year credits on Part III or Part V.

**Column (i)(2), Amount of EPE eligible credit in column (h)(1) applied against tax in Part II.** Amounts in column (h)(1) must first be applied to tax (if any) before being treated as a payment.

**Column (j), Net EPE amount. Subtract column (i)(2) from column (h)(1).** The result of subtracting column (i)(2) from column (h)(1) provides the net EPE amount. All or a portion of the net EPE amount may be applied as a payment of tax remaining after credits.

**Column (k), Carryforward to 2025. Subtract column (i)(1) from column (h)(2).** The carryforwards in this column may be included in your 2025 Form 3800, Part IV.

## Part VI. Breakdown of Aggregate Amounts in Part IV

**Note.** For a summary of the 2024 changes to this part, see [What's New](#).

If any of the amounts entered in Part IV (aside from totals) are aggregate figures from more than one year or more than one pass-through entity, provide breakdowns of those figures by tax year and by the EIN of the pass-through entity, if applicable, in Part VI. Use only the columns applicable for the particular credits you are reporting.

---

**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 and business taxpayers filing this form is approved under OMB control number 1545-0074 and 1545-0123 and is included in the estimates shown in the instructions for their individual and business income tax return. The estimated burden for all other taxpayers who file this form is shown below.

<b>Recordkeeping</b> . . . . .	30 hr., 51 min.
<b>Learning about the law or the form</b> . . . . .	1 hr.
<b>Preparing and sending the form to the IRS</b> . . . . .	1 hr., 32 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.