

# RECAPTURE OF IDAHO BIOFUEL INFRASTRUCTURE INVESTMENT TAX CREDIT

Name(s) as shown on return	Social Security number or EIN
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**PART I -- IDENTIFY PROPERTY THAT CEASED TO QUALIFY AS IDAHO BIOFUEL INFRASTRUCTURE INVESTMENT TAX CREDIT PROPERTY**

Properties	Property Description
A	
B	
C	
D	
E	

**PART II -- ORIGINAL IDAHO BIOFUEL INFRASTRUCTURE INVESTMENT TAX CREDIT**

	Properties				
	A	B	C	D	E
1. Date property placed in service .....					
2. Cost or other basis .....					
3. Credit percentage .....	6%	6%	6%	6%	6%
4. Original credit. Multiply line 2 by line 3 .....					
5. Date property ceased to qualify .....					
6. Number of full years between the date on line 1 and the date on line 5 .....					

**PART III -- COMPUTATION OF RECAPTURE TAX**

7. Recapture percentage from table in instructions.....					
8. Tentative recapture tax. Multiply line 4 by line 7 .....					
9. Add line 8, columns A through E .....					
10. Pass-through share of credit recapture from S corporations, partnerships, estates, or trusts .....					
11. Add lines 9 and 10.....					
12. Credit recapture distributed to shareholders, partners, or beneficiaries.....					
13. Enter the portion of original credit not used to offset any tax. Do not enter more than line 11. The amount on this line reduces the carryover available to the current year .....					
14. Add lines 12 and 13.....					
15. Recapture of biofuel infrastructure investment tax credit. Subtract line 14 from line 11. Enter here and on Form 44, Part II, line 6. Do not use this amount to reduce current year's biofuel infrastructure investment tax credit computed on Form 71.....					

# Instructions for Idaho Form 71R

## GENERAL INSTRUCTIONS

Use Form 71R to compute the increase in tax and reduction to credit carryover for the recapture of biofuel infrastructure investment tax credit (biofuel ITC). You must recompute the credit if you earned it in an earlier year, but disposed of the property before the end of the five-year recapture period. You must also recompute the credit on any property ceasing to qualify as biofuel ITC property, including property that is no longer used to sell biofuel. Property moved from Idaho within the first five years ceases to qualify as biofuel ITC property and is subject to recapture.

Recapture may be necessary when:

- An S corporation shareholder's interest is reduced by a sale, redemption or other disposition of the shareholder's stock, or by the corporation's issuance of more shares.
- A partner's proportionate interest in the general profits of the partnership (or in a particular item of property) is reduced.
- A trust's, estate's or beneficiary's proportionate interest in the income of the trust or estate is reduced.

S corporations, partnerships, estates, and trusts that pass through biofuel ITC to the shareholders, partners, or beneficiaries must provide Form ID K-1 reporting the recapture amount and including in Part E, Supplemental Information, details on the year(s) the credit being recaptured was originally earned.

Any resulting tax from recapture of credits claimed in prior years must be added to the tax otherwise determined in the year of recapture. Recapture of credits not claimed in prior years reduces the amount of credit carryover available to the current year.

## SPECIFIC INSTRUCTIONS

Instructions are for lines not fully explained on the form.

### PART I

Lines A through E. Describe the property for which you must recompute the biofuel ITC. Fill in lines 1 through 8 in Parts II and III for each property on which you are recomputing the credit. Use a separate column for each item. Use an additional Form 71R, or other schedule with the same information as required on Form 71R, if you have biofuel ITC recapture on more than five items.

### PART II

S corporations, partnerships, trusts, and estates that have credit subject to recapture must complete lines 1 through 9 to determine the amount of credit recapture.

Shareholders, partners, and beneficiaries will use the information provided by the S corporation, partnership, trust, or estate to report their pass-through share of the credit to be recaptured on line 10. If the only recapture you are reporting is from a pass-through entity, skip lines 1 through 9 and begin on line 10.

**Line 1.** Enter the month, day, and year that the property was first available for service.

**Line 2.** Enter the cost or other basis of the property used to compute the original biofuel ITC.

**Line 4.** Multiply line 2 by line 3 to compute the credit originally earned for each property listed.

**Line 5.** Enter the month, day, and year the property ceased to qualify as biofuel ITC property.

**Line 6.** Do not enter partial years. If the property was held less than 12 months, enter zero.

### PART III

**Line 7.** Enter the appropriate recapture percentage from the following table.

If the number of full years on Form 71R, line 6 is...	Then the recapture percentage is...
0	100
1	80
2	60
3	40
4	20
5 or more	0

**Line 9.** Add all amounts on line 8. If you have used more than one Form 71R or separate sheets to list additional items on which you computed an increase in tax, write to the left of the entry space "Tax from attached" and the total tax from the separate sheets. Include the amount in the total for line 9.

**Line 10.** Enter the amount of recapture of biofuel ITC that is being passed to you from S corporations, partnerships, trusts, and estates. This amount is reported on Form ID K-1, Part D, line 14.

If recapture is necessary due to a reduction of a shareholder's proportionate stock interest in an S corporation, reduction in the interest in the general profits of a partnership, or reduction in the proportionate interest in the income of the trust or estate, include that recapture on line 10 as well.

**Line 11.** Add lines 9 and 10 to determine the amount of credit subject to recapture.

**Line 12.** If you are an S corporation, partnership, trust, or estate, enter the amount of credit recapture that passed through to shareholders, partners, or beneficiaries. Do not include any recapture on this line for shareholders, partners, or beneficiaries for whom you are paying the tax.

**Line 13.** If you did not use all the credit you originally computed either in the year earned or in a carryover year, you will not have to pay tax from recapture of the amount of the credit you did not use.

Compute the unused portion of the original credit from Form 71R, line 4, or that was passed through to you from an S corporation, partnership, trust, or estate on a separate sheet and enter the amount on this line. Do not enter more than the tax from recapture on line 11.

**Line 15.** This is the total increase in tax. Enter it on this line and on Form 44, Part II, line 6. DO NOT use this amount to reduce your current year's biofuel ITC from Form 71.