



# Instructions for Idaho Form 49R

Use Form 49R to compute the increase in tax for the recapture of investment tax credit. 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 investment tax credit property. Property moved from Idaho ceases to qualify as investment tax credit property and is subject to recapture.

S corporations, partnerships, estates and trusts that pass through investment tax credit to the shareholders, partners or beneficiaries must provide schedules detailing the recapture information required to compute the recapture on their income tax returns.

Any resulting tax on recapture of prior credits must be added to the tax otherwise determined in the year of recapture.

## PART I

Lines A through E. Describe the property for which you must recompute the investment tax credit. 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 49R, or other schedule with all the information shown on Form 49R, if you have Idaho investment tax credit recapture on more than five items.

## PART II

**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 investment tax credit.

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

**Line 5.** Enter the date the property ceased to qualify as investment tax credit property.

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

## PART III

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

**Line 8.** Multiply line 4 by line 7. This is the tentative tax recaptured.

**Line 9.** Add line 8 in columns A through E. Enter the total from all pages here.

**Line 10.** S corporations, partnerships, estates and trusts that have property subject to recapture must complete lines 1 through 9 to determine the amount of credit recapture. A copy of this form and a schedule detailing each shareholder's, partner's, or beneficiary's pass-through share of the recapture amount must be attached to the business' income tax return and to each K-1.

Partners, shareholders and beneficiaries will use the information provided by the partnership, S corporation, trust or estate to report their pass-through share of the credit to be recaptured on line 10.

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

**Line 12.** 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 on recapture of the amount of the tax credit you did not use.

Compute the unused portion of the original credit on a separate sheet and enter it on this line. Do not enter more than the recapture tax on line 11.

**Line 13.** This is the total increase in tax. Enter it on the proper line of your tax return. DO NOT use this amount to reduce your current year's investment tax credit from Form 49.

**TABLE FOR RECAPTURE OF INVESTMENT TAX CREDIT  
(Section 50, Internal Revenue Code)**

Time held and/or time qualifying	Recapture percent
less than 1 year	100%
more than 1 year less than 2 years	80%
more than 2 years less than 3 years	60%
more than 3 years less than 4 years	40%
more than 4 years less than 5 years	20%