2005 IDAHO INCENTIVE INVESTMENT TAX CREDIT

FORM 69
TC6905
8-05-05

For calendar year 2005, or fiscal year beginning	Month	Day	Year 05	ending	Month	Day	Year

Name(s) as shown on return	Social Security Number or EIN

CREDIT AVAILABLE SUBJECT TO LIMITATION

1. Credit carryover from 2004 (2004 Form 69, line 24).	1	
2. Pass-through share of credit from a partnership, S corporation, estate or trust that received credit by transfer in 2005	2	
3. Credit received through unitary sharing in 2005. Attach a schedule.	3	
4. Credit received by transfer in 2005. Attach Form 70.	4	
5. Credit recaptured in 2005. Attach Form 69R.	5	
6. Credit distributed to partners, shareholders or beneficiaries	6	
7. Credit shared with unitary affiliates	7	
8. Credit transferred to another taxpayer in 2005. Attach Form 70.	8	
9. Total credit available subject to limitations. Add lines 1 through 4 and subtract lines 5 through 8.	9	

CREDIT LIMITATIONS

10. Enter the Idaho income tax from your tax return.	10	

CREDITS CLAIMED ON CURRENT YEAR TAX RETURN If you are claiming the credit for qualifying new employees, complete lines 11 through 17 and skip lines 18 through 21. If you are NOT claiming the credit for qualifying new employees, skip lines 11 through 17 and complete lines 18 through 21.

Complete this section if you are claiming the credit for qualifying new employees.

11. Enter your credit for tax paid to other states.			11	
12. Subtract line 11 from line 10.			12	
13. Limitation of tax. Multiply line 12 by 50%.			13	
14. a. Credit for contributions to Idaho educational entities	14a			
b. Investment tax credit	14b			
c. Credit for contributions to Idaho youth and rehabilitation facilities	14c			
d. Credit for production equipment using post-consumer waste	14d			
e. Promoter-sponsored event credit	14e			
f. Credit for qualifying new employees	14f			
g. Credit for Idaho research activities	14g			
h. Broadband equipment investment credit	14h			
i. Add lines 14a through14h.			14i	
15. Tax available after other credits. Subtract line 14i from line 13.			15	
16. Credit allowable subject to limitation of tax. Enter the smaller of: a. the amount from line 9 or b. $500,000			16	
17. Total credit allowed on current year tax return. Enter the smaller amount from line 15 or line 16 here and on Form 44, Part I, line 7.			17	

Complete this section if you are NOT claiming the credit for qualifying new employees.

18. a. Credit for tax paid to other states	18a			
b. Credit for contributions to Idaho educational entities	18b			
c. Investment tax credit	18c			
d. Credit for contributions to Idaho youth and rehabilitation facilities	18d			
e. Credit for production equipment using post-consumer waste	18e			
f. Promoter-sponsored event credit	18f			
g. Credit for Idaho research activities	18g			
h. Broadband equipment investment credit	18h			
i. Add lines 18a through 18h.			18i	
19. Net income tax after other credits. Subtract line 18i from line 10.			19	
20. Credit allowable subject to limitation of tax. Enter the smaller of: a. the amount from line 9 or b. $500,000			20	
21. Total credit allowed on current year tax return. Enter the smaller amount from line 19 or line 20 here and on Form 44, Part I, line 7.			21	

CREDIT CARRYOVER

22. Total credit available subject to limitations. Enter the amount from line 9.	22	
23. Total credit allowed on current year tax return. Enter the amount from line 17 or line 21.	23	
24. Credit carryover to future years. Subtract line 23 from line 22.	24	

Instructions for Idaho Form 69

GENERAL INSTRUCTIONS

The incentive ITC was eligible to be earned on qualified investments in Idaho that were placed in service in tax years beginning in 2001 only. Although the credit can no longer be earned, it may be carried over from 2001 or acquired by transfer from another taxpayer who earned the credit in 2001.

Form 69 is used to calculate the Idaho incentive investment tax credit (incentive ITC) allowed. Each member of a unitary group that is allowed the credit must complete a separate Form 69.

Unitary Sharing
A corporation included as a member of a unitary group of corporations may elect to share the incentive ITC it earned but does not use with other members of the unitary group. The corporation must claim the incentive ITC to the extent allowable against its Idaho income tax before it can share the credit.

Transfer of Credit
A taxpayer who earned the incentive ITC may transfer the credit to another taxpayer. The transferor must submit Form 70, Idaho Statement of Credit Transfer, to the Tax Commission at least 60 days prior to the date of transfer. The Tax Commission will verify the amount of credit available for transfer and the number of carryover years.

The transferee may first claim the transferred credit on his income tax return originally filed during the calendar year in which the transfer takes place. However, the credit may not be claimed on a tax return that begins prior to January 1, 2001. The transferee must attach a copy of Form 70 to each income tax return in which the credit is claimed or carried over.

Carryover Periods
The credit carryover is limited to 14 tax years. A transferee is entitled to the same carryover period that would have been allowed to the transferor.

SPECIFIC INSTRUCTIONS

Instructions are for lines not fully explained on the form.

CREDIT AVAILABLE SUBJECT TO LIMITATION
Line 2. Enter the amount of incentive ITC that is being passed to you from partnerships, S corporations, estates, or trusts in which you have an interest. Attach a copy of the schedule provided to you.

Line 3. If you are a member of a unitary group of corporations, enter the amount of credit you received from another member of the unitary group.

Line 4. If you received credit as a result of a transfer from another taxpayer in 2005, enter the amount of credit you received. Attach a copy of Form 70.

Line 6. If you are a partnership, S corporation, estate, or trust, enter the amount of credit that passed through to partners, shareholders, or beneficiaries.

Line 7. If you are a member of a unitary group of corporations, enter the amount of credit you earned that you elect to share with other members of your unitary group. Before you can share your credit, you must use the credit up to the allowable limitation of your Idaho income tax.

Corporations claiming the incentive ITC must provide a calculation of the credit earned and used by each member of the combined group. The schedule must clearly identify shared credit and the computation of any credit carryovers.

Line 8. If you transferred credit to another taxpayer in 2005, enter the amount of credit you transferred. You can only transfer credit that you originally earned.

CREDIT LIMITATIONS
The incentive ITC is limited to the smaller of $500,000 or the tax liability after allowing all other tax credits that can be claimed before the incentive investment tax credit. If you claim the Idaho credit for qualifying new employees, the incentive ITC and most other credits are limited to 50% of your Idaho income tax.

The following credits must be applied to the tax before the incentive ITC:

1. Credit for tax paid to other states;
2. Credit for contributions to Idaho educational entities;
3. Investment tax credit;
4. Credit for contributions to Idaho youth and rehabilitation facilities;
5. Credit for production equipment using post-consumer waste;
6. Promoter-sponsored event credit;
7. Credit for qualifying new employees;
8. Credit for Idaho research activities; and
9. Broadband equipment investment credit.

If the credit for qualifying new employees is claimed, complete lines 11 through 17 and skip lines 18 through 21.

If the credit for qualifying new employees is not claimed, skip lines 11 through 17 and complete lines 18 through 21.

Line 10. Enter the amount of your Idaho income tax. Idaho income tax is the computed tax before adding the permanent building fund tax, any other taxes or subtracting any credits.

Line 11. Enter the credit for tax paid to other states as computed on Form 39R or Form 39NR. This credit is only available to individuals, estates, and trusts.

Line 14a. Enter the credit for contributions to Idaho educational entities as computed on Form 55, Part III, line 6.

Line 14b. Enter the investment tax credit allowed as computed on Form 55, Part III, line 9.

Line 14c. Enter the credit for contributions to Idaho youth and rehabilitation facilities as computed on Form 55, Part III, line 13.

Line 14d. Enter the credit for production equipment using post-consumer waste as computed on Form 55, Part III, line 17.

Line 14e. Enter the promoter-sponsored event credit as computed on Form 55, Part III, line 21.

Line 14f. Enter the allowable credit for qualifying new employees as computed on Form 55, Part III, line 26.

Line 14g. Enter the credit allowed for Idaho research activities as computed on Form 67, line 30.

Line 14h. Enter the broadband equipment investment credit allowed as computed on Form 68, line 18.

Line 17. Enter the smaller amount from lines 15 and 16 on line 17. Enter this amount on Form 44, Part I, line 7, in the Credit Allowed column.

Line 18a. Enter the credit for tax paid to other states as computed on Form 39R or Form 39NR. This credit is available only to individuals, estates, and trusts.

Line 18b. Enter the credit for contributions to Idaho educational entities from the appropriate Idaho income tax return.

Line 18c. Enter the investment tax credit allowed as computed on Form 49, Part II, line 8.

Line 18d. Enter the credit for contributions to Idaho youth and rehabilitation facilities from the appropriate Idaho income tax return.

Line 18e. Enter the credit for production equipment using post-consumer waste from the appropriate Idaho income tax return.

Line 18f. Enter the promoter-sponsored event credit from the appropriate Idaho income tax return.

Line 18g. Enter the credit allowed for Idaho research activities as computed on Form 67, line 34.

Line 18h. Enter the broadband equipment investment credit allowed as computed on Form 68, line 22.

Line 21. Enter the smaller amount from lines 19 and 20 on line 21. Enter this amount on Form 44, Part I, line 7, in the Credit Allowed column.

CREDIT CARRYOVER

Line 24. The amount of credit available that exceeds the total credit allowed on the current year tax return may be carried forward up to 14 tax years.