

Names as shown on return

Social Security number or EIN

Qualifying for the Credit

You can claim the small employer real property improvement tax credit if you've certified on Form 89SE that you'll meet all the following tax incentive criteria at the project site during the project period:

- Capital investment in new plant and building facilities of at least \$500,000.
- Increased employment by at least 10 new employees, each earning at least \$19.23 per hour and receiving health benefits.
- For new employment increases above the 10 new employees, the average wages of the additional new employees are at least \$15.50 per hour. See instructions for who's included in this calculation.

You don't qualify for this credit if you haven't filed Form 89SE with the Tax Commission, or the Tax Commission notified you that you don't qualify for the small-employer incentives.

Credit Available Subject to Limitation

1. Amount of investments in new plant and building facilities acquired during the tax year. Don't include any qualified investments reported on Form 83. Include a complete list of the investments qualifying for this credit		1	
2. Credit earned. Multiply line 1 by 2.5%		2	
3. Pass-through share of credit from an S corporation, partnership, trust, or estate		3	
4. Credit received through unitary sharing. Include a schedule		4	
5. Carryover of small employer real property improvement tax credit from prior years		5	
6. Carryover eliminated due to recapture in 2025. Enter the amount from Form 84R, line 13. Include Form 84R		6	
7. Credit distributed to shareholders, partners, or beneficiaries		7	
8. Credit shared with unitary affiliates		8	
9. Total credit available subject to limitations. Add lines 2 through 5, then subtract lines 6 through 8		9	
10. Enter the Idaho income tax from your return		10	
11. Credit for income tax paid to other states	11		
12. Part-year resident Food Tax Credit	12		
13. Credit for contributions to Idaho educational entities	13		
14. Investment tax credit from Form 49, Part II, line 9	14		
15. Credit for contributions to Idaho youth and rehabilitation facilities	15		
16. Credit for production equipment using post-consumer waste	16		
17. Promoter-sponsored event credit	17		
18. Credit for Idaho research activities from Form 67, line 29	18		
19. Broadband equipment investment credit from Form 68, line 18	19		
20. Reserved	20		
21. Small employer investment tax credit from Form 83, line 28	21		
22. Add lines 11 through 21		22	
23. Tax available after other credits. Subtract line 22 from line 10		23	
24. Credit allowable subject to limitation of tax. Enter the smaller of: a. the amount from line 9, or b. \$125,000		24	
25. Total credit allowed on current year return. Enter the smaller amount from lines 23 or 24 here and on Form 44, Part I, line 7		25	

Credit Carryover

26. Total credit available subject to limitations. Enter the amount from line 9		26	
27. Credit allowed. Enter the amount from line 25		27	
28. Credit carryover to future years. Subtract line 27 from line 26. Enter the amount here and on Form 44, Part I, line 7		28	

General Instructions

Use Form 84 to calculate the Idaho small employer real property improvement tax credit (SE-RPITC) earned or allowed. Each member of a unitary group of corporations that earns or qualifies for the credit must complete a separate Form 84.

Qualifying Taxpayers

To qualify for the SE-RPITC, you must certify by filing Form 89SE that you'll meet the tax incentive criteria at the project site during the project period. If you haven't filed Form 89SE with the Tax Commission or you've been notified that you don't qualify for the small employer incentives, you can't claim this credit.

Qualifying Property

If you're a qualifying taxpayer, Idaho allows the SE-RPITC on buildings and structural components of buildings that don't qualify for the investment tax credit. The buildings and structural components must be at the project site and placed in service during the project period.

The buildings and structural components must be new property. Used property doesn't qualify for this credit.

Buildings and structural components mean buildings and structural components of buildings as defined in Federal Treasury Regulation Section 1.48-1 for Internal Revenue Code Section 48 repealed by Public Law 101-508.

Building generally means any structure enclosing a space within its walls, and usually covered by a roof, to provide shelter or housing or to provide working office or parking space.

Structural components include parts of a building such as:

- Walls
- Partitions
- Floors
- Ceilings and any permanent coverings to these items such as paneling or tiling
- Windows and doors
- All components of a central air conditioning or heating system
- Plumbing and plumbing fixtures
- Electrical wiring and lighting fixtures
- Chimneys
- Stairs, escalators, and elevators

- Sprinkler systems
- Fire escapes
- Other components relating to the operation or maintenance of a building

Carryover Periods

You can carry forward for up to fourteen years any SE-RPITC that you earned but didn't use. A short tax year counts as one tax year for purposes of the carryover period.

Recapture

Calculate recapture if you sell or otherwise dispose of the property or if it no longer qualifies for the SE-RPITC before it's been in service for five full years.

In addition, calculate recapture if you claimed the SE-RPITC in an earlier year and don't meet the tax incentive criteria that you certified to on Idaho Form 89SE.

If you claimed the SE-RPITC and recapture is now required, file Form 84R.

Specific Instructions

Instructions are for lines not fully explained on the form.

Credit Available Subject to Limitation

Line 1. Include a list of all property you acquired and placed in service during the tax year that qualifies for the SE-RPITC. List each item of property and its location, your basis in the item, and the date placed in service. Don't include any property placed in service before the date the project period began.

Line 3. Enter the amount of the SE-RPITC that S corporations, partnerships, trusts, or estates passed through to you. This amount is from Form ID K-1, Part VII, line 43 or Form ID K-1, Part XI, line 67 (Composite/ABE).

Line 4. If you're a member of a unitary group, enter the amount of credit you received from another member of the unitary group.

Line 5. Enter the carryover from your 2024 Form 84, line 27.

Line 7. If you're a S corporation, partnership, trust, or estate, enter the amount of credit that you passed through to shareholders, partners, or beneficiaries.

Line 8. If you're a member of a unitary group, 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 the tax liability.

Corporations claiming the SE-RPITC must provide a calculation of the credit that each member of the combined group earned and used. The schedule must clearly identify the shared credit and the calculation of any credit carryovers.

Credit Limitations

The SE-RPITC is limited to the smaller of \$125,000 or the Idaho income tax after allowing all other tax credits that you can claim before the SE-RPITC.

You must apply these credits to the tax, in this order, before applying the SE-RPITC:

- Credit for income tax paid to other states
- Part-year resident Food Tax Credit
- Credit for contributions to Idaho educational entities
- Investment tax credit
- Credit for contributions to Idaho youth and rehabilitation facilities
- Credit for production equipment using post-consumer waste
- Promoter-sponsored event credit
- Credit for Idaho research activities
- Broadband equipment investment credit
- Small employer investment tax credit

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

Line 11. Enter the credit for income tax paid to other states from Form 39R, Form 39NR or Form 66. Only individuals, trusts, and estates can take this credit for income tax paid to other states.

Line 13. Enter the credit for contributions to Idaho educational entities from the appropriate Idaho income tax return.

Line 15. Enter the credit for contributions to Idaho youth and rehabilitation facilities from the appropriate Idaho income tax return.

Line 16. Enter the credit for production equipment using post-consumer waste from the appropriate Idaho income tax return.

Line 17. Enter the promoter-sponsored event credit from the appropriate Idaho income tax return.

Line 25. Enter the smaller amount from lines 23 or 24 here and on Form 44, Part I, line 7, in the Credit Allowed column.

If you're an S corporation or partnership and you've elected to be an ABE, distribute this amount to the shareholders or partners and report it on their Form ID K-1.

Credit Carryover

Line 28. You can carry forward for up to 14 years the amount of available credit that exceeds the total credit allowed on the current year return. Enter the amount here and on Form 44, Part I, line 7, in the Carryover column.

Contact us:

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