

Form 84R
Recapture of Idaho Small Employer
Real Property Improvement Tax Credit

Names as shown on return

Social Security number or EIN

Part I — Identify Property That No Longer Qualifies for the Idaho Small Employer Real Property Improvement Tax Credit

Properties	Property Description
A	
B	
C	
D	
E	

Part II — Original Idaho Small Employer Real Property Improvement Tax Credit

	Properties				
	A	B	C	D	E
1. Date property placed in service	1				
2. Cost or other basis	2				
3. Credit percentage	3	2.5%	2.5%	2.5%	2.5%
4. Original credit. Multiply line 2 by line 3	4				
5. Date property ceased to qualify	5				
6. Number of full years between the date on line 1 and the date on line 5	6				

Part III — Computation of Recapture Tax

7. Recapture percentage from table in instructions	7				
8. Tentative recapture tax. Multiply line 4 by line 7	8				
9. Add line 8, columns A through E					9
10. Pass-through share of credit recapture from S corporations, partnerships, trusts, or estates					10
11. Add lines 9 and 10					11
12. Credit recapture distributed to shareholders, partners, or beneficiaries					12
13. Enter the portion of original credit not used to offset any tax. Don't enter more than line 11. The amount on this line reduces the carryover available to the current year					13
14. Add lines 12 and 13					14
15. Recapture of small employer real property improvement tax credit. Subtract line 14 from line 11. Enter here and on Form 44, Part II, line 4. Don't use this amount to reduce the current year's small employer real property improvement tax credit computed on Form 84					15

**Form 84R — Instructions
Recapture of Idaho Small Employer
Real Property Improvement Tax Credit**

General Instructions

Use Form 84R to calculate the increase in tax and reduction to credit carryover for the recapture of the small employer real property improvement tax credit (SE-RPITC).

If you claimed the SE-RPITC in an earlier year and don't meet the tax incentive criteria you certified to on Idaho Form 89SE, you must recapture all the SE-RPITC claimed in the earlier years.

Recalculate the credit if you earned it in an earlier year but disposed of the property before the end of the five-year recapture period. Also, recalculate the credit on any property that no longer qualifies, such as property moved from Idaho within the first five years.

Recapture might 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, trusts, and estates that pass through SE-RPITC to the shareholders, partners, or beneficiaries must provide Form ID K-1 reporting the recapture amount and including in Part XII, Supplemental Information, details about the years the entity originally earned the credit that it's now recapturing.

You must add any resulting tax from recapture of credits claimed in prior years to the tax for the recapture year. 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 — Identify Property That No Longer Qualifies for the Idaho Small Employer Real Property Improvement Tax Credit

Describe the property for which you must recalculate the SE-RPITC. Fill in lines 1 through 8 in Parts II and III for each property on which you're recalculating the credit. Use a separate column for each item.

Use an additional Form 84R or other schedule with the same information required on Form 84R if you have SE-RPITC recapture on more than five items.

Part II — Original Idaho Small Employer Real Property Improvement Tax Credit

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

Shareholders, partners, and beneficiaries will use the information provided by the pass-through entities to report their pass-through share of the credit to be recaptured on line 10. If the only recapture you're 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 calculate the original SE-RPITC.

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

Line 5. Enter the month, day, and year the property ceased to qualify as SE-RPITC property.

Line 6. Don't enter partial years. Enter zero if you held the property less than 12 months or you didn't meet the tax incentive criteria.

Part III — Computation of Recapture Tax

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

If the number of full years on Form 84R, 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've used more than one Form 84R or separate sheets to list additional items you calculated an increase in tax on, 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 SE-RPITC that's being passed to you from S corporations, partnerships, trusts, and estates. This amount is on Form ID K-1, Part VII, line 48 or Form ID K-1, Part XI, line 73 (Composite/ABE).

Include on line 10 any recapture that's necessary because of situations such as:

- A reduction of a shareholder's proportionate stock interest in an S corporation
- A reduction in the interest in the general profits of a partnership
- A reduction in the proportionate interest in the income of a trust or estate

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

Line 12. If you're an S corporation, partnership, trust, or estate, enter the amount of credit recapture that you passed through to shareholders, partners, or beneficiaries. Don't include any recapture on this line for shareholders, partners, or beneficiaries you're paying the tax for.

Line 13. If you didn't use all of the credit you originally calculated either in the year earned or in a carryover year, you won't have to pay tax from recapture of the amount of the credit you didn't use.

Calculate the unused portion of the original credit from Form 84R, line 4 or that was passed through to you from an S corporation, partnership, or trust on a separate sheet and enter the amount on this line. Don't 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 4. **Don't** use this amount to reduce your current year's SE-RPITC from Form 84.

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.

Contact us:

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