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PRINT in BLUE or BLACK INK

ATTACH TO FORM IN-111

Taxpayer's Last Name, First Name, Initial

Taxpayer's Social Security Number

For credits earned through an S-Corporation, LLC, LLP, or Partnership, enter name and FEIN of the entity.

Name of entity, FEIN

If credits from more than one business entity, fill out a separate IN-119 for each entity.

ALL CREDITS REQUIRE PRIOR APPROVAL

Table with columns: Column A (Earned in 2011), PLUS (+), Column B (Carryforward), EQUALS (=), Column C (2011 Credit). Rows include Prior approval required from VT Housing Finance Agency for Line 1 and Prior approval required from VT Division for Historic Preservation for Lines 2-8.

ECONOMIC ADVANCEMENT TAX INCENTIVE CREDITS

Lines 14-21 require prior approval from VT Economic Progress Council

Table with columns: Column A, PLUS (+), Column B, EQUALS (=), Column C. Rows include Payroll, Research & Development, Capital Investment, Workforce Development, Export, High-Tech Growth, Sustainable Technology R & D, Sustainable Technology Export.



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Tax Credit Calculation Worksheet

- 23. Enter adjusted VT income tax amount from Form IN-111, Section 4, Line 22. 23. , , . **00**
- 24. Enter credit for income tax paid to another state or Canadian province from Form IN-111, Section 5, Line 23. 24. , , . **00**
- 25. Subtract Line 24 from Line 23. 25. , , . **00**
- 26. Enter amount from Line 11 26. , , . **00**
- 27. Enter amount from Line 10 27. , , . **00**
- 28. Add Lines 26 and 27 28. , , . **00**
- 29. Enter the smaller of Line 25 OR Line 28. 29. , , . **00**
- 30. Subtract Line 29 from Line 25, *but not less than zero* 30. , , . **00**
- 31. Multiply Line 30 by 50%. 31. , , . **00**
- 32. Enter amount from Line 13 32. , , . **00**
- 33. Enter the smaller of Line 31 or Line 32. 33. , , . **00**
- 34. Subtract Line 33 from Line 30, *but not less than zero*. 34. , , . **00**

Complete Lines 35-42 if claiming Economic Advancement Tax Incentive (EATI) credits. Otherwise go to Line 43.

- 35. VT tax from Form IN-111, Section 4, Line 22 35. , , . **00**
- Ratio Schedule K-1 to Adjusted Gross Income**
- 36. Schedule K-1 income from entity with EATI credit(s). If EATI credits from more than one entity, see instructions. If negative, enter "0" here and on Line 38. 36. , , . **00**
- 37. Adjusted Gross Income Resident: Form IN-111, Line 10; Nonresident: Schedule IN-113, Line 42. If negative, enter "0" here and on Line 38. 37. , , . **00**
- 38. Divide Line 36 by Line 37 *but not greater than 100.00%*. 38. . %
- 39. VT Tax attributable to Schedule K-1 Income (Multiply Line 35 by Line 38) 39. , , . **00**
- 40. Statutory Credit Limitation (Multiply Line 39 by 80%) 40. , , . **00**
- 41. Credit Claimed. Enter amount from Line 22. 41. , , . **00**
- 42. Maximum allowable EATI Credit (Enter the smaller of Line 40 or Line 41). If EATI credits from more than one entity, see instructions. 42. , , . **00**

- 43. Total Credits Allowable. Enter the total of Lines 29, 33 and 42 43. , , . **00**
- 44. **TOTAL INCOME TAX CREDITS AVAILABLE.** Enter the smaller of Line 25 or Line 43. Enter this amount on Form IN-111, Section 5, Line 24. 44. , , . **00**

SCHEDULE IN-119

VT Economic Incentive Income Tax Credits

Please refer to VT Statutes Annotated available online at: <http://www.leg.state.vt.us/statutesMain.cfm> for more information.

AFFORDABLE HOUSING CREDIT (Line 1) - 32 V.S.A. §5930u

Prior approval by the VT Housing Finance Agency required.

A copy of the certificate and the credit allocation to the affordable housing project by the housing agency must be provided for each credit claimed.

The credit is applied for five consecutive tax years, beginning with the tax year of the eligible cash contribution. Total tax credits available equal the amount of the first year allocation, plus the succeeding four years allocations. Affordable housing tax credit exceeding the tax year's liability may be carried forward up to 14 succeeding tax years.

REHABILITATION FOR OLDER & HISTORIC BUILDINGS CREDITS (Lines 2 - 5) (Available as carryforward only)

These credits required prior approval by the VT Division for Historic Preservation.

Line 2 Rehabilitation of Certified Historic Buildings Credit - 32 V.S.A. §5930n

Line 3 Older or Historic Buildings Credit - 32 V.S.A. §5930p

Line 4 Commercial Buildings Code Improvements Credit - 32 V.S.A. §5930r

Line 5 Platform Lifts, Elevators or Sprinkler Systems Credit - 32 V.S.A. §5930q

DOWNTOWN & VILLAGE CENTER TAX CREDITS (Lines 6 - 8) - 32 V.S.A. §5930cc

These credits require prior approval by the VT Division for Historic Preservation. Tax credit exceeding the year's tax liability may be carried forward for up to nine years following the first year the credit is claimed. Credits unclaimed five years after the approval date are rescinded.

Line 6 Historic Rehabilitation - 32 V.S.A. §5930cc(a) Historic rehabilitation tax credit. The qualified applicant of a qualified historic rehabilitation project shall be entitled, upon the approval of the state board, to claim against the taxpayer's state individual income tax, corporate income tax, or bank franchise or insurance premiums tax liability a credit of ten percent of qualified rehabilitation expenditures as defined in the Internal Revenue Code, 26 U.S.C. §47(c), properly chargeable to the federally certified rehabilitation.

Line 7 Facade Improvement - 32 V.S.A. §5930cc(b) Facade improvement tax credit. The qualified applicant of a qualified facade improvement project shall be entitled, upon the approval of the state board, to claim against the taxpayer's state individual income tax, state corporate income tax, or bank franchise or insurance premiums tax liability a credit of 25 percent of qualified expenditures up to a maximum tax credit of \$25,000.00.

Line 8 Code Improvements - 32 V.S.A. §5930cc(c) Code improvement tax credit. The qualified applicant of a qualified code improvement project shall be entitled, upon the approval of the state board, to claim against the taxpayer's state individual income tax, state corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of \$12,000.00 for installation or improvement of a platform lift, a maximum tax credit of \$50,000.00 for installation or improvement of an elevator, a maximum tax credit of \$50,000.00 for installation or improvement of a sprinkler system, and a maximum tax credit of \$25,000.00 for the combined costs of all other qualified code improvements.

WOOD PRODUCTS MANUFACTURE TAX CREDIT (Line 9) 32 V.S.A. §5930y

A business may be eligible for a credit against its income tax liability based on 2% of wages paid in the taxable year for employee services in the manufacture of finished wood products. The employer must be located in a county designated by the Secretary of Commerce & Community Development as stipulated in 32 V.S.A. §5930y(a).

VT ENTREPRENEUR'S SEED CAPITAL FUND CREDIT (Line 13) 32 V.S.A. §5830b

Taxpayers who invest in this state-chartered corporation may receive a tax credit. The corporation provides investment capital to new VT firms or for existing VT firms that are expanding in VT.

The credit may be claimed for a contribution made in the taxable year and may be carried forward for up to four succeeding taxable years.

ECONOMIC ADVANCEMENT TAX INCENTIVE (EATI) CREDITS (Lines 14 - 21)

Tax year 2010 was the last year a business could earn EATI credit. Claim for these credits in tax year 2011 and forward are for carryforward amount only.

Line 14 Payroll - 32 V.S.A. §5930c

Line 15 Research & Development - Qualified Expenditures - 32 V.S.A. §5930d

Line 16 Capital Investment - 32 V.S.A. §5930g

Line 17 Workforce Development - 32 V.S.A. §5930e

Line 18 Export - General - 32 V.S.A. §5930f

Line 19 High-Technology Growth - 32 V.S.A. §5930k

Line 20 Sustainable Technology Research & Development - 32 V.S.A. §5930w

Line 21 Sustainable Technology Export - 32 V.S.A. §5930x