

Qualified Plug-in Electric and Electric Vehicle Credit

▶ Attach to your tax return.

▶ Information about Form 8834 and its instructions is at www.irs.gov/form8834.

Identifying number

Note.

- Use this form to claim the credit for certain two- or three-wheeled vehicles or low-speed four-wheeled plug-in electric vehicles acquired before 2012.
- Claim the credit for certain other plug-in electric vehicles on Form 8936.
- Claim the credit for certain alternative motor vehicles on Form 8910.

Part I Qualified Plug-in Electric Vehicle Credit**Section A—Vehicle Information**

Use a separate column for each vehicle. If you need more columns, use additional Forms 8834 and include the totals on lines 12 and 19.

		(a) Vehicle 1	(b) Vehicle 2
1 Year, make, and model of vehicle	1		
2 Vehicle identification number (see instructions)	2		
3 Enter date vehicle was placed in service (MM/DD/YYYY)	3	/ /	/ /
4 Cost of the vehicle	4		

Next: If you did NOT use your vehicle for business or investment purposes and did not have a credit from a partnership or S corporation, skip Section B and go to Section C. All others, go to Section B.**Section B—Credit for Business/Investment Use Part of Vehicle**

5 Business/investment use percentage (see instructions)	5	%	%
6 Multiply line 4 by line 5	6		
7 Section 179 expense deduction (see instructions)	7		
8 Subtract line 7 from line 6	8		
9 Multiply line 8 by 10% (.10)	9		
10 Maximum credit per vehicle	10		
11 Enter the smaller of line 9 or line 10	11		
12 Add columns (a) and (b) on line 11	12		
13 Qualified plug-in electric vehicle credit from partnerships and S corporations	13		
14 Business/investment use part of credit. Add lines 12 and 13. Partnerships and S corporations, report this amount on Schedule K. All others, report this amount on Form 3800, line 1z	14		

Section C—Credit for Personal Use Part of Vehicle

15 If you skipped Section B, enter the amount from line 4. If you completed Section B, subtract line 6 from line 4	15		
16 Multiply line 15 by 10% (.10)	16		
17 Maximum credit per vehicle. If you skipped Section B, enter \$2,500. If you completed Section B, subtract line 11 from line 10	17		
18 Enter the smaller of line 16 or line 17	18		
19 Add columns (a) and (b) on line 18	19		
20 Enter the amount from Form 1040, line 46, or Form 1040NR, line 44	20		
21 Personal credits from Form 1040 or 1040NR (see instructions)	21		
22 Subtract line 21 from line 20. If zero or less, enter -0- and stop here. You cannot claim the personal use part of the credit	22		
23 Personal use part of credit. Enter the smaller of line 19 or line 22. Report the total of this amount and the amount, if any, from line 30 on Form 1040, line 53 (or Form 1040NR, line 50). Check box c on that line and enter "8834" in the space next to that box. If line 22 is smaller than line 19, see instructions	23		

Part II Qualified Electric Vehicle Credit**Caution.** This part only applies to qualified electric vehicle passive activity credits from prior years (allowed on Form 8582-CR or Form 8810).

24	Qualified electric vehicle passive activity credits allowed for 2012 (see instructions)	24		
25	Regular tax before credits: • Individuals. Enter the amount from Form 1040, line 44, or Form 1040NR, line 42. • Corporations. Enter the amount from Form 1120, Schedule J, line 2; or the applicable line of your return. • Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b, or the amount from the applicable line of your return.	25		
26	Credits that reduce regular tax before the qualified electric vehicle credit:			
a	Foreign tax credit	26a		
b	Personal credits from Form 1040 or 1040NR (see instructions)	26b		
c	American Samoa economic development credit (Form 5735)	26c		
d	Add lines 26a through 26c	26d		
27	Net regular tax. Subtract line 26d from line 25. If zero or less, enter -0- and stop here; do not file this form unless you are claiming the qualified plug-in electric vehicle credit in Part I	27		
28	Tentative minimum tax: • Individuals. Enter the amount from Form 6251, line 33. • Corporations. Enter the amount from Form 4626, line 12. • Estates and trusts. Enter the amount from Schedule I (Form 1041), line 54.	28		
29	Subtract line 28 from line 27. If zero or less, enter -0- and stop here; do not file this form unless you are claiming the qualified plug-in electric vehicle credit in Part I	29		
30	Qualified electric vehicle credit. Enter the smaller of line 24 or line 29. Report the total of this amount and the amount, if any, from line 23 on Form 1040, line 53; Form 1040NR, line 50; Form 1120, Schedule J, line 5b; or the appropriate line of your return. If line 29 is smaller than line 24, see instructions	30		

Future Developments

For the latest information about developments related to Form 8834 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/form8834.

What's New

The qualified plug-in electric vehicle credit expired for vehicles acquired after 2011. However, if you acquired the plug-in vehicle before 2012, but placed that vehicle in service during 2012, you may still be able to claim the credit for 2012. You can claim a credit for certain two- or three-wheeled vehicles acquired after 2011 on Form 8936.

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

Use Form 8834 to claim the qualified plug-in electric vehicle credit and any qualified electric vehicle passive activity credits allowed for the current tax year.

The qualified plug-in electric vehicle credit attributable to depreciable property (vehicles used for business or investment purposes) is treated as a general business credit. Any credit not attributable to depreciable property is treated as a personal credit allowed against both the regular tax and the alternative minimum tax.

Taxpayers that are not partnerships or S corporations, and whose only source of this credit is from those pass-through entities, are not required to complete or file this form. Instead, they can report this credit directly on Form 3800.

Qualified Plug-in Electric Vehicle Credit

Qualified Plug-in Electric Vehicle

This is a vehicle made by a manufacturer that is propelled to a significant extent by an electric motor that draws electricity from a battery that can be recharged from an external source of electricity and has a capacity of not less than:

- 2.5 kilowatt hours if the vehicle has 2 or 3 wheels, or
- 4 kilowatt hours if the vehicle has 4 wheels.

The vehicle must also be either:

- A low speed vehicle, or
- A vehicle with 2 or 3 wheels that, according to the manufacturer, has a loaded weight (GVWR) of less than 14,000 pounds.

A low speed vehicle is a vehicle that:

- Has 4 wheels,
- Can attain a speed of more than 20 but not more than 25 miles per hour after 1 mile on a paved level surface, and
- According to the manufacturer, has a loaded weight (GVWR) of less than 3,000 pounds.

Certification and other requirements. Generally, you can rely on the manufacturer's (or, in the case of a foreign manufacturer, its domestic distributor's) certification that a specific make, model, and model year vehicle qualifies for the credit.

If, however, the IRS publishes an announcement that the certification for any specific make, model, and model year vehicle has been withdrawn, you cannot rely on the certification for such a vehicle purchased after the date of publication of the withdrawal announcement.

If you purchased a vehicle and its certification was withdrawn on or after the date of purchase, you can rely on such certification even if you had not placed the vehicle in service or claimed the credit by the date the withdrawal announcement was published by the IRS. The IRS will not attempt to collect any understatement of tax liability attributable to reliance on the certification as long as you purchased the vehicle on or before the date the IRS published the withdrawal announcement.

The following requirements must be met to qualify for the credit:

- You are the owner of the vehicle. If the vehicle is leased, only the lessor and not the lessee is entitled to the credit;
- You **acquired** (a vehicle is not "acquired" before the date on which title to that vehicle passes under state law) the vehicle after February 17, 2009, and before January 1, 2012;
- You placed the vehicle in service during your tax year;
- The vehicle is manufactured primarily for use on public streets, roads, and highways, and not for off-road use, such as on a golf course;
- The original use of the vehicle began with you;
- You acquired the vehicle for use or to lease to others, and not for resale; and
- You use the vehicle primarily in the United States.

Exception. If you are the seller of a qualified plug-in electric vehicle to a tax-exempt organization, governmental unit, or a foreign person or entity, and the use of that vehicle is described in section 50(b)(3) or (4), you can claim the credit, but only if you clearly disclose in writing to the purchaser the amount of the tentative credit allowable for the vehicle (from line 11 of Form 8834).

For more information, see the following.

- Section 30.
- Notice 2009-58. You can find Notice 2009-58 on page 163 of Internal Revenue Bulletin (IRB) 2009-30 at www.irs.gov/pub/irs-irbs/irb09-30.pdf.
- Section 9 of Notice 2009-89. You can find Notice 2009-89 on page 714 of IRB 2009-48 at www.irs.gov/pub/irs-irbs/irb09-48.pdf.

Basis Reduction

Unless you elect not to claim the credit, you may have to reduce the basis of each vehicle by the sum of the amounts entered on lines 11 and 18 for that vehicle.

Recapture of Qualified Plug-in Electric Vehicle Credit

If the vehicle no longer qualifies for the credit, you may have to recapture part or all of the credit. For details, see section 30(e)(5).

Specific Instructions

Part I

Qualified Plug-in Electric Vehicle Credit

Line 2

Enter the vehicle's vehicle identification number (VIN) on line 2. The VIN of a vehicle can be obtained from the registration, title, proof of insurance, or actual vehicle. Generally, the VIN is 17 characters made up of numbers and letters.

Line 5

Enter the percentage of business/investment use.

Enter 100% if the vehicle is used solely for business purposes or you are claiming the credit as the seller of the vehicle.

If the vehicle is used for both business purposes and personal purposes, determine the percentage of business use by dividing the number of miles the vehicle is driven during the year for business purposes or for the production of income (not to include any commuting mileage) by the total number of miles the vehicle is driven for all purposes. Treat vehicles used by your employees as being used 100% for business/investment purposes if the value of personal use is included in the employees' gross income, or the employees reimburse you for the personal use. If you report the amount of personal use of the vehicle in your employee's gross income and withhold the appropriate taxes, enter "100%" for the percentage of business/investment use.

If during the tax year you convert property used solely for personal purposes to business/investment use (or vice versa), figure the percentage of business/investment use only for the number of months you use the property in your business or for the production of income. Multiply that percentage by the number of months you use the property in your business or for the production of income and divide the result by 12. For example, if you converted a vehicle to 50% business use for the last 6 months of the year, you would enter 25% on line 5 (50% multiplied by 6 divided by 12).

For more information, see Pub. 463, Travel, Entertainment, Gift, and Car Expenses.

Line 7

Enter any section 179 expense deduction you claimed for the vehicle from Part I of Form 4562, Depreciation and Amortization.

Line 13

Enter total qualified plug-in electric vehicle credits from:

- Schedule K-1 (Form 1065), box 15 (code P)
- Schedule K-1 (Form 1120S), box 13 (code P)

Line 21

Enter the total, if any, credits from Form 1040, lines 47 through 50 (or Form 1040NR, lines 45 through 47); Form 5695, line 32; and Schedule R, line 22.

Line 23

If you cannot use part of the personal portion of the credit because of the tax liability limit, the unused credit is lost. The unused personal portion of the credit cannot be carried back or forward to other tax years.

Part II

Qualified Electric Vehicle Credit

Line 24

Enter the qualified electric vehicle passive activity credits allowed for your current tax year from Form 8582-CR, Passive Activity Credit Limitations (for individuals, estates, and trusts), or Form 8810, Corporate Passive Activity Loss and Credit Limitations (for corporations). See the instructions for the applicable form for more information.

Line 26b

Enter the total, if any, credits from Form 1040, lines 48 through 52 (or Form 1040NR, lines 46 through 49); Form 8396, line 9; Form 8839, line 12; Form 8859, line 9; line 23 of this form; Form 8910, line 22; Form 8936, line 23; and Schedule R, line 22.

Line 28

Although you may not owe alternative minimum tax (AMT), you generally must still figure your tentative minimum tax (TMT) to figure your credit. For a small corporation exempt from the AMT under section 55(e), enter -0-. Otherwise, complete and attach the applicable AMT form or schedule and enter the TMT on line 28.

Line 29

If you cannot use part of the credit because of the tax liability limit, the unused credit is lost. The unused or excess credit cannot be carried back or forward to other tax years.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated burden for individual taxpayers filing this form is approved under OMB control number 1545-0074 and is included in the estimates shown in the instructions for their individual income tax return. The estimated burden for all other taxpayers who file this form is shown below.

Recordkeeping 15 hr., 4 min.

Learning about the law or the form 24 min.

Preparing and sending the form to the IRS 39 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the instructions for the tax return with which this form is filed.