

IDAHO CREDIT FOR QUALIFYING NEW EMPLOYEES

2016

Name(s) as shown on return	Social Security number or EIN
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PART I. CREDIT AVAILABLE SUBJECT TO LIMITATION

1. Carryover of credit for qualifying new employees from prior year	1	
2. Elimination of carryover due to a reduction in the employment level from the level that existed when the credit carryover was earned.....	2	
3. Credit distributed to shareholders, partners, or beneficiaries. If line 2 is greater than line 1, enter as a negative	3	
4. Total credit available subject to limitation. Add lines 2 and 3 and subtract from line 1. Carry to Part II, line 14a	4	

PART II. CREDIT LIMITATIONS

1. Idaho income tax from the appropriate tax return	1	
2. Credit for income tax paid to other states	2	
3. Subtract line 2 from line 1	3	
a. Multiply line 3 by 50%.....	3a	
4. Qualifying contributions to Idaho educational entities.....	4	
a. Enter 50% of the qualifying contributions on line 4.....	4a	
b. Corporations: Enter the smaller of \$5,000 or 10% of the tax on line 1. Taxpayers other than corporations: Enter the smaller of \$500 (\$1,000 if filing a joint return) or 50% of the tax on line 1	4b	
5. Credit for contributions to Idaho educational entities. Enter the smallest amount from lines 3a, 4a, or 4b	5	
6. a. Investment tax credit available from Form 49, Part I, line 8	6a	
b. Subtract line 5 from line 3.....	6b	
c. Subtract line 5 from line 3a.....	6c	
7. Investment tax credit allowed. Enter the smallest amount from lines 6a, 6b, or 6c	7	
8. Qualifying contributions to Idaho youth and rehabilitation facilities	8	
a. Enter 50% of the qualifying contributions on line 8.....	8a	
b. Corporations: Enter the smaller of \$500 or 10% of the tax on line 1. Taxpayers other than corporations: Enter the smaller of \$100 (\$200 if filing a joint return) or 20% of the tax on line 1	8b	
c. Subtract line 7 from line 6b.....	8c	
d. Subtract line 7 from line 6c.....	8d	
9. Credit for contributions to Idaho youth and rehabilitation facilities allowed. Enter the smallest amount from lines 8a, 8b, 8c, or 8d	9	
10. Qualifying cost of equipment manufacturing a product from postconsumer or postindustrial waste	10	
a. Enter 20% of line 10	10a	
b. Carryover of credit for production equipment using postconsumer / postindustrial waste from prior years	10b	
c. Add lines 10a and 10b.....	10c	
d. Subtract line 9 from line 8c.....	10d	
e. Subtract line 9 from line 8d.....	10e	
11. Credit for production equipment using postconsumer waste allowed. Enter the smallest amount from lines 10c, 10d, 10e, or \$30,000	11	

12. a. Promoter-sponsored event credit - \$1 for each temporary permit issued on behalf of the Tax Commission	12a		
b. Subtract line 11 from line 10d.....	12b		
13. Promoter-sponsored event credit allowed. Enter the smaller amount from lines 12a or 12b.....			13
14. a. Credit for qualifying new employees available from Form 55, Part I, line 4	14a		
b. Subtract line 13 from line 12b.....	14b		
c. Subtract line 11 from line 10e.....	14c		
15. Credit for qualifying new employees allowed. Enter the smallest amount from lines 14a, 14b or 14c			15
16. a. Credit for Idaho research activities available from Form 67, line 22.....	16a		
b. Subtract line 15 from line 14b.....	16b		
c. Subtract line 15 from line 14c.....	16c		
17. Credit for Idaho research activities allowed. Enter the smallest amount from lines 16a, 16b, or 16c.....			17
18. a. Broadband equipment investment credit available from Form 68, line 11	18a		
b. Subtract line 17 from line 16b.....	18b		
c. Subtract line 17 from line 16c.....	18c		
19. Broadband equipment investment credit allowed. Enter the smallest amount from lines 18a, 18b, 18c, or \$750,000			19
20. a. Reserved	20a		
b. Reserved	20b		
c. Reserved	20c		
21. Reserved. Reserved.....			21
22. a. Idaho small employer investment tax credit available from Form 83, line 11	22a		
b. Reserved	22b		
c. Multiply line 1 by 62.5%.....	22c		
23. Idaho small employer investment tax credit allowed. Enter the smallest amount from lines 22a, 22c, or \$750,000			23
24. a. Idaho small employer real property improvement tax credit available from Form 84, line 9.....	24a		
b. Subtract line 23 from line 22b.....	24b		
25. Idaho small employer real property improvement tax credit allowed. Enter the smallest amount from lines 24a, 24b, or \$125,000			25
26. a. Idaho small employer new jobs tax credit available from Form 85, line 17	26a		
b. Subtract line 25 from line 24b.....	26b		
c. Multiply line 1 by 62.5%.....	26c		
27. Idaho small employer new jobs tax credit allowed. Enter the smallest amount from lines 26a, 26b, or 26c			27
28. a. Live organ donation expenses.....	28a		
b. Subtract line 27 from line 26b.....	28b		
c. Subtract line 21 from line 20c.....	28c		
29. Credit for live organ donation expenses allowed. Enter the smallest amount from lines 28a, 28b, 28c, or \$5,000			29

30. a. Biofuel infrastructure investment tax credit available from Form 71, line 5	30a		
b. Subtract line 29 from line 28b.....	30b		
c. Subtract line 29 from line 28c.....	30c		
31. Biofuel infrastructure investment tax credit allowed.			
Enter the smallest amount from lines 30a, 30b, or 30c			31

CREDIT CARRYOVER

32. Total credit available subject to limitation. Enter the amount from Part I, line 4.....			32
33. Credit allowed. Enter the amount from Part II, line 15.....			33
34. Credit carryover to future years. Subtract line 33 from line 32. Enter the amount here and on Form 44, Part I, line 4.			34

Instructions for Idaho Form 55

GENERAL INSTRUCTIONS

The credit for qualifying new employees was eligible to be earned through April 14, 2011. Although the credit can no longer be earned, it may be carried over for three years. Form 55 is used to calculate the carryover allowed.

Credit Limitations

If you claim the credit for qualifying new employees, this credit and most other income tax credits are limited to 50% of the tax after deducting the credit for tax paid to other states.

Carryover Periods

The credit carryover is limited to three tax years. If the number of qualifying employees decreases during the carryover period, you must recompute the credit using the reduced number of qualifying employees to determine the correct amount of carryover.

SPECIFIC INSTRUCTIONS

Instructions are for lines not fully explained on the form.

PART I. CREDIT AVAILABLE SUBJECT TO LIMITATION

Line 1. Enter the carryover from your 2015 Form 55, Part III, line 34.

Line 2. If you are reporting carryover of credit on line 1 and your employment level decreased from the year when that credit was earned, you must recompute the credit based on the reduced employment level to determine the correct amount of carryover. Subtract the recomputed carryover amount from the amount on line 1 and enter the difference on line 2.

Please provide a schedule showing the computations.

Line 3. If you are an S corporation, partnership, trust, or estate, enter the credit that passed through to the shareholders, partners, or beneficiaries.

PART II. CREDIT LIMITATIONS

If you are claiming against tax the Idaho credit for qualifying new employees, complete Part II to determine the limitation on the credit for qualifying new employees and all other nonrefundable credits.

The following credits must be applied to the tax before the credit for qualifying new employees:

1. Credit for income tax paid to other states
2. Credit for contributions to Idaho educational institutions
3. Investment tax credit
4. Credit for contributions to Idaho youth or rehabilitation facilities, and nonprofit substance abuse centers
5. Credit for equipment using postconsumer waste or postindustrial waste
6. Promoter-sponsored event credit

Line 1. Enter the amount of your Idaho income tax. This is the computed tax before adding the permanent building fund tax or any other taxes, or subtracting any credits.

Line 2. Enter the credit for income tax paid to other states from Form 39R or Form 39NR. This credit is available only to individuals.

Line 4. Enter the amount of qualifying contributions to Idaho educational entities. This credit is limited as indicated on lines 4a and 4b. Qualifying entities are listed in the instruction booklets in

the CREDITS section of the specific instructions.

Line 5. Enter the smallest amount from lines 3a, 4a, or 4b. This is the amount of credit for contributions to Idaho educational entities you may claim. Enter this amount on the appropriate line of your Idaho income tax return.

Line 6a. Enter the amount of your investment tax credit available from Form 49, Part I, line 8.

Line 7. Enter the smallest amount from lines 6a, 6b, or 6c. This is the amount of investment tax credit you may claim. Enter this amount on Form 44, Part I, line 1, in the Credit Allowed column.

Line 8. Enter the amount of qualifying contributions to Idaho youth and rehabilitation facilities and nonprofit substance abuse centers. This credit is limited as indicated on lines 8a and 8b. Qualifying entities are listed in the instruction booklets in the CREDITS section of the specific instructions.

Line 9. Enter the smallest amount from lines 8a, 8b, 8c, or 8d. This is the amount of credit for contributions to Idaho youth and rehabilitation facilities and nonprofit substance abuse centers you may claim. Enter this amount on the appropriate line of your Idaho income tax return.

Line 10. Enter the amount of your qualifying cost of equipment used to manufacture a product from postconsumer or postindustrial waste.

Line 10b. Enter the amount of your carryover of credit for production equipment using postconsumer or postindustrial waste. Credit earned but not used against tax may be carried forward up to seven years.

Line 11. Enter the smallest amount from lines 10c, 10d, or 10e, but not more than \$30,000. This is the amount of credit for production equipment using postconsumer or postindustrial waste you may claim. Enter this amount on Form 44, Part I, line 2, in the Credit Allowed column.

Line 12a. Enter the amount of your promoter-sponsored event credit. This credit is \$1 for each temporary sales tax permit you issued on behalf of the Tax Commission during the tax year to participants of a promoter-sponsored event. You must have filed Form ST-124 with the Tax Commission to qualify for the credit.

Line 13. Enter the smaller amount from lines 12a or 12b. This is the amount of promoter-sponsored event credit you may claim. Enter this amount on Form 44, Part I, line 3, in the Credit Allowed column.

Line 14a. Enter the amount of your credit for qualifying new employees available from Form 55, Part I, line 4.

Line 15. Enter the smallest amount from lines 14a, 14b, or 14c. This is the amount of credit for qualifying new employees you may claim. Enter this amount on Form 44, Part I, line 4, in the Credit Allowed column.

Line 16a. Enter the amount of your credit for Idaho research activities available from Form 67, line 22.

Line 17. Enter the smallest amount from lines 16a, 16b or 16c. This is the amount of credit for Idaho research activities you may claim. Enter this amount on Form 44, Part I, line 5, in the Credit Allowed column.

Line 18a. Enter the amount of your broadband equipment investment credit available from Form 68, line 11.

Line 19. Enter the smallest amount from lines 18a, 18b or 18c, but not more than \$750,000. This is the amount of broadband equipment investment credit you may claim. Enter this amount on Form 44, Part I, line 6, in the Credit Allowed column.

Line 22a. Enter the amount of your Idaho small employer investment tax credit available from Form 83, line 11.

Line 23. Enter the smallest amount from lines 22a, or 22c, but not more than \$750,000. This is the amount of Idaho small employer investment tax credit you may claim. Enter this amount on Form 44, Part I, line 7, in the Credit Allowed column.

Line 24a. Enter the amount of your Idaho small employer real property improvement tax credit available from Form 84, line 9.

Line 25. Enter the smaller amount from lines 24a or 24b, but not more than \$125,000. This is the amount of Idaho small employer real property improvement tax credit you may claim. Enter this amount on Form 44, Part I, line 8, in the Credit Allowed column.

Line 26a. Enter the amount of your Idaho small employer new jobs tax credit available from Form 85, line 17.

Line 27. Enter the smallest amount from lines 26a, 26b, or 26c. This is the amount of Idaho small employer new jobs tax credit you may claim. Enter this amount on Form 44, Part I, line 9, in the Credit Allowed column.

Line 28a. Enter the amount of qualified expenses incurred in donating an organ for transplanting in another individual. See the Form 40 instructions for more information.

Line 29. Enter the smallest amount from lines 28a, 28b, or 28c, but not more than \$5,000. This is the amount of credit for live organ donation expenses you may claim. Enter this amount on the appropriate line of your Idaho individual income tax return.

Line 30a. Enter the amount of your biofuel infrastructure investment tax credit available from Form 71, line 5.

Line 31. Enter the smallest amount from lines 30a, 30b, or 30c. This is the amount of biofuel infrastructure investment tax credit you may claim. Enter this amount on Form 44, Part I, line 10, in the Credit Allowed column.

Credit Carryover

Line 32. The amount of credit available that exceeds the total credit allowed on the current year tax return may be carried forward up to three years as long as the employment level doesn't decrease. Enter this amount on Form 44, Part I, line 4, in the Carryover column.