



# State of Oklahoma Refundable Coal Credit

FORM **577** 2020

Name as Shown on Return:

Federal Employer Identification Number or Social Security Number:

**SELECT ONE:**

1. You are the entity who originally generated the credit.

-or-

2. You are the person/entity to whom the credit was allocated.

**If you selected Number 2**, enter the Name and FEIN of the pass-through entity that allocated the credit to you.

Name: \_\_\_\_\_

FEIN: \_\_\_\_\_

## Credit Computation

- |   |            |
|---|------------|
| <b>1</b> Enter your <b>total</b> Coal Credit, before limitation, based upon activities occurring during the tax year (see instructions). (Do not include any credit being carried over from tax year 2013 or prior) ..... | _____      |
| <b>2</b> Limitation: Percentage of credit allowed .....   | 75%        |
| <b>3</b> Credit allowed (multiply line 1 by line 2) .....   | _____      |
| <b>4</b> Enter the Coal Credit you claimed on Form 511CR, Column B, line 2. ....  | _____      |
| <b>5</b> Subtract line 4 from line 3. This is the face amount of the credit eligible for a partial refund .....   | _____      |
| <b>6</b> Rate .....   | 85%        |
| <b>7</b> Total Refundable Credit - Multiply line 5 by line 6. Round to nearest whole dollar. (Enter here and on the Refundable Credits line of the income tax return) .....   | _____ . 00 |

## Refundable Coal Credit Instructions Title 68 OS Section 2357.11

### General Information

Credits earned, but not used, based upon activity occurring during the tax year will be refunded at 85% of the face amount of the credits. If the taxpayer is a pass-through entity and does not file a claim for a direct refund, the pass-through entity will allocate the credit to one or more of its shareholders, partners or members. The total amount of credits refunded or allocated may not exceed the amount of the credit or refund to which the pass-through entity is entitled.

For any credit calculated, the amount of credit allowed shall be equal to 75% of the amount otherwise provided.

Form 577 is to be completed by the taxpayer claiming the credit on their income tax return.

**NOTE:** The credit has an overall cap. No more than \$5 million of credit may be allowed to offset tax or be refunded in a taxable year. For tax year 2020, the full amount of the statutory credit is available.

### Instructions

**Line 1 -**

- If you are the entity which generated the credit, enter the total amount of credit which is earned based upon activities occurring during the tax year. Enter the total amount of credit before the 75% limitation provided for in 68 OS Sec 2357.11(N).
- If the credit was allocated to you as a shareholder, partner or member, enter your allocated share of the total credit based upon activities occurring during the tax year. Enter the total amount of credit before the 75% limitation provided for in 68 OS Sec 2357.11(N).
- Do not include any unused credit being carried forward from tax year 2013 or prior.

**Line 2 -** The amount of credit allowed is equal to 75% of the amount otherwise provided.

**Line 4 -** Enter the amount included on line 3 that is being claimed on Form 511CR, Column B, line 2 as a non-refundable credit.

**Line 5 -** Subtract line 4 from line 3 to determine the face amount of the credit eligible for the 85% refund.

**Line 7 -** Multiply line 5 by line 6 to determine the amount to be refunded. Round to the nearest whole dollar; do not enter cents. Enter here and on the Refundable Credits line of your income tax return.