

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return.**

Name(s) shown on return

Identifying number

Part I Qualified Plug-in Electric Vehicle Credit (For vehicles acquired and placed in service after February 17, 2009)

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 11 and 18.

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

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

4 Business/investment use percentage (see instructions)		%		%		%
5 Multiply line 3 by line 4						
6 Section 179 expense deduction (see instructions)						
7 Subtract line 6 from line 5						
8 Multiply line 7 by 10% (.10)						
9 Maximum credit per vehicle	2,500	00	2,500	00	2,500	00
10 Enter the smaller of line 8 or line 9						
11 Add columns (a) through (c) on line 10						
12 Qualified plug-in electric vehicle credit from partnerships and S corporations						
13 Business/investment use part of credit. Add lines 11 and 12. Partnerships and S corporations, report this amount on Schedule K; all others, report this amount on Form 3800, line 1z						

Section C—Credit for Personal Use Part of Vehicle

	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3
14 If you skipped Section B, enter the amount from line 3. If you completed Section B, subtract line 5 from line 3			
15 Multiply line 14 by 10% (.10)			
16 Maximum credit per vehicle. If you skipped Section B, enter \$2,500. If you completed Section B, subtract line 10 from line 9			
17 Enter the smaller of line 15 or line 16			
18 Add columns (a) through (c) on line 17			
19 Enter the amount from Form 1040, line 46, or Form 1040NR, line 43			
20 Enter the total (if any) of your credits from Form 1040, lines 47 through 50; Form 5695, line 11; and Schedule R, line 24; or Form 1040NR, lines 44 through 46; and Form 5695, line 11			
21 Subtract line 20 from line 19. If zero or less, stop . You cannot claim the personal use part of the credit			
22 Personal use part of credit. Enter the smaller of line 18 or line 21. Report the total of this amount and the amount (if any) from line 29 on Form 1040, line 53 (or Form 1040NR, line 49) and check box c on that line. If line 21 is smaller than line 18, see instructions			

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).

23 Qualified electric vehicle passive activity credits allowed for 2009 (see instructions)			23	
24 Regular tax before credits:			24	
<ul style="list-style-type: none"> ● Individuals. Enter the amount from Form 1040, line 44, or Form 1040NR, line 41. } ● 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 Credits that reduce regular tax before the qualified electric vehicle credit:				
a Foreign tax credit	25a		25d	
b Credits from Form 1040, lines 48 through 52 (or Form 1040NR, lines 45 through 48); Form 8859, line 11; line 22 of this form; Form 8910, line 21; Form 8936, line 14; and Schedule R, line 24	25b			
c American Samoa economic development credit (Form 5735)	25c			
d Add lines 25a through 25c				
26 Net regular tax. Subtract line 25d from line 24. If zero or less, stop here; do not file this form unless you are claiming the qualified plug-in electric vehicle credit in Part I			26	
27 Tentative minimum tax:			27	
<ul style="list-style-type: none"> ● Individuals. Enter the amount from Form 6251, line 34. } ● Corporations. Enter the amount from Form 4626, line 12. ● Estates and trusts. Enter the amount from Schedule I (Form 1041), line 54. } 				
28 Subtract line 27 from line 26. If zero or less, stop here; do not file this form unless you are claiming the qualified plug-in electric vehicle credit in Part I				
29 Qualified electric vehicle credit. Enter the smaller of line 23 or line 28. Report the total of this amount and the amount (if any) from line 22 on Form 1040, line 53; Form 1040NR, line 49; Form 1120, Schedule J, line 5b; Form 1041, Schedule G, line 2b; or the appropriate line of your return. If line 28 is smaller than line 23, see instructions ▶			29	

General Instructions

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

What's New

The American Recovery and Reinvestment Tax Act of 2009 added the qualified plug-in electric vehicle credit for qualified plug-in electric vehicles acquired (as defined on page 3) after February 17, 2009, and before January 1, 2012.

Purpose of Form

Use Form 8834 to claim the qualified plug-in electric vehicle credit and any qualified electric vehicle passive activity credits from prior years (allowed on Form 8582-CR, Passive Activity Credit Limitations (for individuals, trusts, and estates), or Form 8810, Corporate Passive Activity Loss and Credit Limitations (for corporations), 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 line 1z of 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.

In addition to certification, 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 10 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 10 and 17 for that vehicle.

Coordination With Other Credits

If a qualified plug-in electric vehicle acquired before 2010 also qualifies for the qualified plug-in electric drive motor vehicle credit on Form 8936, Qualified Plug-in Electric Drive Motor Vehicle Credit, no credit is allowed for that vehicle on Form 8834.

A qualified plug-in electric vehicle acquired after 2009 will not qualify for the qualified plug-in electric drive motor vehicle credit on Form 8936.

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).

Recapture of the Qualified Electric Vehicle Credit

If the vehicle no longer qualifies for the qualified electric vehicle credit within 3 years of the date you placed it in service, you must recapture part or all of the credit. The property will cease to qualify if it is changed in either of the following ways.

1. The vehicle is modified so that it is no longer primarily powered by electricity.
2. It becomes nonqualifying property.

Generally, no recapture occurs on the sale or other disposition of the vehicle (including a disposition resulting from an accident or other casualty). However, if the vehicle will be modified after you dispose of it so that it no longer qualifies for the credit, the credit may be subject to recapture.

For more information on the recapture of the qualified electric vehicle credit, see Regulations section 1.30-1(b).

Specific Instructions

Part I

Qualified Plug-in Electric Vehicle Credit

Line 4

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 employees' 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 4 (50% multiplied by 6 divided by 12).

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

Line 6

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

Line 12

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 22

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 23

Enter the qualified electric vehicle passive activity credits allowed for your current tax year from Form 8582-CR or Form 8810. See the instructions for the applicable form for more information.

Line 27

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 27.

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, copying, assembling, 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.