

Schedule IN-119 Instructions

Vermont Economic Incentive Income Tax Credits

Please print in BLUE or BLACK ink only.

Please refer to Vermont Statutes Annotated available online at: <http://legislature.vermont.gov> for more information.

Line-by-Line Instructions

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

Line 1 This credit requires prior approval by the Vermont Housing Finance Agency.

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.

This 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 credits which exceed the current tax year's liability may be carried forward up to 14 succeeding tax years.

REHABILITATION FOR OLDER & HISTORIC BUILDINGS CREDITS (Lines 2 - 3) (These credits were repealed in 2005 and are only available as carryforwards)

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

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

Line 3 Platform Lifts, Elevators or Sprinkler Systems Credit - 32 V.S.A. § 5930q

DOWNTOWN & VILLAGE CENTER PROGRAM TAX CREDITS (Lines 4 - 6) - 32 V.S.A. § 5930cc

These credits require prior approval by the Vermont Agency of Commerce and Community Development. Tax credits which exceed the current year's tax liability may be carried forward for up to nine succeeding years following the first year the credit was claimed. Credits unclaimed five years after the approval date are automatically rescinded and are available to the Tax Credits and Grants Coordinator for award in subsequent years.

Line 4 **Historic Rehabilitation Tax Credit - 32 V.S.A. § 5930cc(a)** 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 10% 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 5 **Facade Improvement Tax Credit - 32 V.S.A. § 5930cc(b)** 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% of qualified expenditures up to a maximum tax credit of \$25,000.

Line 6 **Code Improvement Tax Credit - 32 V.S.A. § 5930cc(c)** 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% of qualified expenditures up to a maximum tax credit of \$12,000 for installation or improvement of a platform lift, a maximum tax credit of \$50,000 for installation or improvement of an elevator, a maximum tax credit of \$50,000 for installation or improvement of a sprinkler system, and a maximum tax credit of \$25,000 for the combined costs of all other qualified code improvements.

VT ENTREPRENEUR'S SEED CAPITAL FUND CREDIT (Line 10) 32 V.S.A. § 5830b

Line 10 Taxpayers who invest in this state-chartered corporation may receive a tax credit. The corporation provides investment capital to new Vermont firms or existing Vermont firms that are expanding in the state.

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

ECONOMIC ADVANCEMENT TAX INCENTIVE (EATI) CREDITS (Lines 11 - 18)

As of January 1, 2017, provisions from these credits are repealed.

Line 11	Payroll - 32 V.S.A. § 5930c
Line 12	Research & Development - Qualified Expenditures - 32 V.S.A. § 5930d
Line 13	Capital Investment - 32 V.S.A. § 5930g
Line 14	Workforce Development - 32 V.S.A. § 5930e
Line 15	Export - General - 32 V.S.A. § 5930f
Line 16	High-Technology Growth - 32 V.S.A. § 5930k
Line 17	Sustainable Technology Research & Development - 32 V.S.A. § 5930w
Line 18	Sustainable Technology Export - 32 V.S.A. § 5930x

Contacting the Department

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