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This is an early release draft of an IRS tax form, instructions, or publication, which the IRS is providing for your information as a courtesy. **Do not file draft forms.** Also, do not rely on draft instructions and publications for filing. We generally do not release drafts of forms until we believe we have incorporated all changes. However, unexpected issues sometimes arise, or legislation is passed, necessitating a change to a draft form. In addition, forms generally are subject to OMB approval before they can be officially released. Drafts of instructions and publications usually have at least some changes before being officially released.

Early releases of draft forms and instructions are at IRS.gov/draftforms. Please note that drafts may remain on IRS.gov even after the final release is posted at IRS.gov/downloadforms, and thus may not be removed until there is a new draft for the subsequent revision. All information about all revisions of all forms, instructions, and publications is at IRS.gov/formspubs.

Almost every form and publication also has its own easily accessible information page on IRS.gov. For example, the Form 1040 page is at IRS.gov/form1040; the Form W-2 page is at IRS.gov/w2; the Publication 17 page is at IRS.gov/pub17; the Form W-4 page is at IRS.gov/w4; the Form 8863 page is at IRS.gov/form8863; and the Schedule A (Form 1040) page is at IRS.gov/schedulea. If typing in the links above instead of clicking on them: type the link into the address bar of your browser, not in a Search box; the text after the slash must be lowercase; and your browser may require the link to begin with “www.”. Note that these are shortcut links that will automatically go to the actual link for the page.

If you wish, you can submit comments about draft or final forms, instructions, or publications on the Comment on Tax Forms and Publications page on IRS.gov. We cannot respond to all comments due to the high volume we receive, but we will carefully consider each one. Please note that we may not be able to consider many suggestions until the subsequent revision of the product.

2014

Instructions for Form 8909

Department of the Treasury
Internal Revenue Service

Energy Efficient Appliance Credit

DRAFT AS OF September 25, 2014

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

General Instructions

Future Developments

For the latest information about developments related to Form 8909 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/form8909.*

What's New

The energy efficient appliance credit has expired for qualified energy efficient appliances produced in calendar years after 2013.

CAUTION *At the time these instructions went to print, Congress had not enacted legislation on expired provisions. To find out if the legislation has been enacted, go to* www.irs.gov/formspubs *or* www.irs.gov/form8909*.*

Purpose of Form

Partnerships, S corporations, cooperatives, estates, and trusts use the 2014 Form 8909 to report any energy efficient appliance credit received from a fiscal year partnership, S corporation, cooperative, estate, or trust whose tax year began in 2013 (when the credit was still available) and ends during the 2014 tax year. All other taxpayers report this credit directly on line 1q in Part III of Form 3800, General Business Credit.

Specific Instructions

Line 1 Through Line 24

These lines are now shown as “Reserved” in case Congress extends the credit for 2014. When any form, worksheet, or instruction refers to these lines, treat the amounts on these lines as zero.

Line 25

Enter total energy efficient appliance credit from:

- Schedule K-1 (Form 1065), Partner's Share of Income, Deductions, Credits, etc., box 15 (code P);
- Schedule K-1 (Form 1120S), Shareholder's Share of Income, Deductions, Credits, etc., box 13 (code P);
- Schedule K-1 (Form 1041), Beneficiary's Share of Income, Deductions, Credits, etc., box 13 (code S); and
- Form 1099-PATR, Taxable Distributions Received From Cooperatives, box 10, or other notice of credit allocation.

Partnerships, S corporations, cooperatives, estates, and trusts must always report any of the above credits on line 25. All other taxpayers:

- Report the above credits directly on Form 3800, Part III, line 1q; and
- Do not file Form 8909.

The credit for dishwashers and Type A refrigerators cannot exceed $25 million reduced by the amount of the credit allowed for these appliances in all prior tax years beginning after 2010.

Line 27

Cooperatives. A cooperative described in section 1381(a) must allocate to its patrons the credit in excess of its liability limit. Therefore, to figure the unused amount of the credit allocated to patrons, the cooperative must first figure its tax liability. While any excess is allocated to patrons, any credit recapture applies as if the cooperative had claimed the entire credit.

If the cooperative is subject to the passive activity rules, include on line 25 any energy efficient appliance credit from passive activities disallowed for prior years and carried forward to this year. Complete Form 8810, Corporate Passive Activity Loss and Credit Limitations, to determine the allowed credit that must be allocated between the cooperative and the patrons. For details, see the Instructions for Form 8810.

Estates and trusts. Allocate the energy efficient appliance credit on line 26 between the estate or trust and the beneficiaries in the same proportion as income was allocated and enter the beneficiaries' share on line 27.

If the estate or trust is subject to the passive activity rules, include on line 25 any energy efficient appliance credit from passive activities disallowed for prior years and carried forward to this year. Complete Form 8582-CR, Passive Activity Credit Limitations, to determine the allowed credit that must be allocated between the estate or trust and the beneficiaries. For details, see the Instructions for Form 8582-CR.

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.

DRAFT AS OF September 25, 2014

Recordkeeping	12 hr., 26 min.
Learning about the law or the form	12 min.
Preparing and sending the form to the IRS	24 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.