

Computation of Investment Credit

1976

▶ Attach to your tax return.

Name _____

Identifying number as shown on page 1 of your tax return _____

1 Use schedule below to list qualified investment in new and used property acquired or constructed and placed in service during the taxable year; and also list qualified progress expenditures made during the 1976 taxable year and qualified progress expenditures made in 1974 and 1975 taxable years providing a proper election as prescribed in section 46(d)(6) was made for such prior years. If progress expenditure property is placed in service during the taxable year, do not list qualified progress expenditures for this property. See Specific Instruction for line 1.
If 100% investment credit is being claimed on certain ships, check this block. ▶ See Instruction K for details.

Note: Include your share of investment in property made by a partnership, estate, trust, small business corporation, or lessor.

Type of property	Line	(1) Life years	(2) Cost or basis (See instruction G)	(3) Applicable percentage	(4) Qualified investment (Column 2 x column 3)
New property	(a)	3 or more but less than 5		33 $\frac{1}{3}$	
	(b)	5 or more but less than 7		66 $\frac{2}{3}$	
	(c)	7 or more		100	
Qualified progress expenditures	1974 and 1975 (d)	7 or more		20	
	1976 (e)	7 or more		40	
Used property (See instructions for dollar limitation)	(f)	3 or more but less than 5		33 $\frac{1}{3}$	
	(g)	5 or more but less than 7		66 $\frac{2}{3}$	
	(h)	7 or more		100	

- 2 Qualified investment—add lines 1(a) thru (h)
- 3 10% of line 2
- 4 7% (4% for public utility property) of certain property (see Instruction for line 1)
- 5 Electing corporations with qualifying stock ownership plans—Enter 1% of line 2 (see Instruction I). (Attach election statement.)
- 6 Carryback and carryover of unused credit(s). See instruction F—attach computation
- 7 Tentative investment credit—Add lines 3, 4, 5 and 6

Limitation

- 8 (a) Individuals—Enter amount from line 18, page 1, Form 1040
- (b) Estates and trusts—Enter amount from line 24 or 25, page 1, Form 1041
- (c) Corporations—Enter amount from line 9, Schedule J, page 3, Form 1120
- 9 Less: (a) Credit for the elderly (individuals only)
- (b) Foreign tax credit
- (c) Tax on lump-sum distributions (see instruction for line 9(c))
- (d) Possession Tax Credit (corporations only)
- 10 Total—Add lines 9(a), (b), (c) and (d)
- 11 Line 8 less line 10
- 12 (a) Enter amount on line 11 or \$25,000, whichever is lesser. (Married persons filing separately, controlled corporate groups, estates, and trusts, see instruction for line 12.)
- (b) If line 11 exceeds line 12(a), enter 50% of the excess. (Public utilities, railroads, and airlines see instruction J.)
- 13 Total—Add lines 12(a) and (b)
- 14 Investment credit—Amount from line 7 or line 13, whichever is lesser. Enter here and on line 50, Form 1040; line 10(b), Schedule J, page 3, Form 1120; or the appropriate line on other returns

Schedule A If any part of your investment in line 1 or 4 above was made by a partnership, estate, trust, small business corporation, or lessor, complete the following statement and identify property qualifying for the 7% or 10% investment credit.

Name (Partnership, estate, trust, etc.)	Address	Property			Life years
		Progress expenditures	New	Used	
		\$	\$	\$	

If property is disposed of prior to the life years used in computing the investment credit, see instruction E.