



CORPORATION NAME

FEDERAL IDENTIFICATION NUMBER

# Schedule H-2 Credit Recapture

2012

Complete this schedule if the taxpayer has Brownfields, Low-Income Housing, Historic Rehabilitation, Economic Opportunity Area, Vanpool or Life Science tax credit to recapture.

Complete one Schedule H-2 for each type of credit being recaptured.  Fill in if completing additional Schedules H-2

Type of credit being recaptured. Fill in applicable oval:

Brownfields  Low-Income Housing  Historic Rehabilitation  Economic Opportunity Area  Vanpool  Life Science

## RECAPTURE CALCULATION

<b>1</b>	Amount of original credit . . . . .	1	<input type="text"/>
<b>2</b>	Month and year property was placed in service . . . . .	2	<input type="text"/>
<b>3</b>	Total months of useful life . . . . .	3	<input type="text"/>
<b>4</b>	Month and year property was disposed of or ceased to be in qualified use . . . . .	4	<input type="text"/>
<b>5</b>	Number of months property was in qualified use . . . . .	5	<input type="text"/>
<b>6</b>	Adjusted credit percentage. Divide line 5 by line 3 . . . . .	6	<input type="text"/>
<b>7</b>	Recapture percentage. Subtract line 6 from 1.0 . . . . .	7	<input type="text"/>
<b>8</b>	Tentative recapture tax. Multiply line 7 by line 1 . . . . .	8	<input type="text"/>
<b>9</b>	Portion of original credit not used to offset any tax. See instructions. . . . .	9	<input type="text"/>
<b>10</b>	Credit to be recaptured. Subtract line 9 from line 8. Do not enter less than "0". Enter here and on Form 355, line 4; Form 355S, line 7; Form 1, line 25; Form 1-NR/PY, line 29 or on other appropriate tax form. . . . .	10	<input type="text"/>

## INSTRUCTIONS

If property is disposed of or ceases to be in qualified use prior to the end of its useful life, the difference between the Brownfields Credit, Historic Rehabilitation Credit, Low-Income Housing Credit, Economic Opportunity Area Credit, Vanpool Credit or Life Science Credit taken and the credit allowed for actual use must be added back in the excise calculation. The recapture amount is additional tax in the year the property is disposed of. The amount of the credit allowed for actual use equals the amount of the original credit multiplied by the months of actual use divided by the total months of useful life.

If the taxpayer's records show that a portion or all of the original credit was never used to offset tax, the recapture tax may be reduced by the unused amount. To substantiate any amount in line 9, taxpayers should complete the Schedule H-2 Worksheet (Recapture Offset Worksheet) or use their own schedule, provided it performs the same calculations as the worksheet. The worksheet is available by visiting the DOR's website at [www.mass.gov/dor](http://www.mass.gov/dor).

For further information refer to DOR Directive 89-7.