CAUTION:

This tax return must be filed electronically.

Paper versions of this return **will not** be accepted.

If you have questions about filing electronically, contact us at 617-887-6367.

See https://www.mass.gov/info-details/dor-e-filing-and-payment-requirements for further information about our electronic filing and payment requirements.

Massachusetts Department of Revenue

Schedule VP
Vanpool Credit

2023

Name | Federal Identification number

Eligible costs. Briefly describe purchased or leased qualifying shuttle vans. Include make, model and registration number. Additional details must be available upon request. Use additional sheet if necessary. Do not combine purchased and leased Costs. Purchased and leased Costs should be reported separately.	Costs a. Purchased	Costs b. Leased
1		
2 Totals. Add all costs for each column 2		
3 Total costs. Add line 2, col's. a and b. 3		
4 Vanpool Credit allowable from current year. Enter amount on appropriate line of Credit Manager Schedule 4		

E-File Only.
Paper returns will not be accepted.
See TIRs 16-9 and 21-9 for more information.

General Information

What Is the Vanpool Credit?

The Vanpool Credit is a tax credit equal to 50% of the total purchase or lease costs for shuttle vans used in an employer-sponsored ridesharing program.

Who Is Eligible to Take the Vanpool Credit?

Any business corporation which purchases or leases shuttle vans as part of an employer-sponsored ridesharing program in Massachusetts is eligible for the Vanpool Credit. The credit does not apply to the purchase or lease costs of vehicles which would be required even if an employer-sponsored ridesharing program did not exist. Qualifying shuttle vans must be used for transporting employees or students from their homes or public transportation facilities to a place of employment or to a campus in the Commonwealth. To qualify, a shuttle van must be used by the corporation in Massachusetts and situated in the Commonwealth on the last day of the corporation's taxable year.

Who Is an Employee?

For purposes of the Vanpool Credit, an employee is an individual who:

- Works more than eight paid hours per week for an employer; or
- Is a full-time student at a college, university or other postsecondary educational institution and who commutes between home and campus on a regular basis.

What Is a Shuttle Van?

A shuttle van is a highway vehicle which meets all of the following requirements:

- It has a seating capacity of **at least** seven adults, including the driver;
- At least 80% of its mileage can be reasonably expected to be from the transportation of students and employees; and
- At least half of its adult seating capacity is occupied on average.

Are All Costs Eligible for the Credit?

No. Only the costs of purchasing or leasing shuttle vans are eligible. The credit **does not** apply to the cost of insurance, maintenance, fuel, drivers' salaries or other operating expenses.

Is Depreciation Allowed on Shuttle Vans?

Yes. A depreciation deduction may be taken on any qualifying vehicle. However, the basis upon which the depreciation is taken must be reduced by the amount of the allowable credit.

When Must a Corporation Take the Vanpool Credit?

For purchased vehicles, the Vanpool Credit may only be taken in the taxable year in which the qualifying vehicles were acquired and placed in service. For qualifying leased vehicles, the credit may be taken in those taxable years in which a lease or contract payment is incurred.

Line Instructions

Line 1

Enter in line 1 the make, model and registration number of the qualifying shuttle van(s). For purchased vans, enter in col. a the total purchase cost. For leased vans, enter in col. b the taxable year's lease or contract payment costs.

Line 2

Total all taxable year qualifying costs for each column.

Line 3

Total all qualifying costs for the taxable year.