



# Instructions for Form CT-637

## Alternative Fuels and Electric Vehicle Recharging Property Credit

**CT-637-I**

### General information

You may claim this credit if you invest in qualifying *alternative fuels vehicle refueling property* or *electric vehicle recharging property* and you are a:

- transportation and transmission corporation taxable under Article 9, sections 183 and 184; or
- business corporation taxable under Article 9-A.

**Note:** The former alternative fuels credit expired on December 31, 2010. To claim a credit carryover, or to calculate any recapture of the former alternative fuels credit, see Form CT-40, *Claim for Alternative Fuels Credit*.

### Credit calculation

The credit amount for each installation of *qualifying property* is limited to the **lesser** of:

- 50% of the price you paid for the property including the labor needed for each installation, minus any cost paid from the proceeds of grants; or
- \$5,000.

In addition:

- You cannot request a refund for any unused portion of this credit; however, you may carry it forward to future tax years indefinitely.
- If you claimed the credit on alternative fuels vehicle refueling property or electric vehicle recharging property and that property ceases to be qualifying property at any time before the end of the recovery period, you may be required to recapture all or part of the credit you claimed.
- You **cannot** reduce your tax below the following:
  - **Article 9-A filers:** the fixed dollar minimum tax; or
  - **Article 9 filers:** the minimum tax due.
- You **cannot** apply the credit against the metropolitan transportation business tax (MTA surcharge).

### Definitions

*Alternative fuels vehicle refueling property* includes all of the equipment needed to dispense any fuel at least 85% of the volume of which consists of one or more of the following: natural gas, liquefied natural gas, liquefied petroleum, or hydrogen.

*Electric vehicle recharging property* includes all of the equipment needed to convey electric power from the electric grid or another power source to an onboard vehicle energy storage system.

*Qualifying property* must:

- be located in New York State;
- be used 50% or more during the tax year in a trade or business carried on in New York State;
- constitute alternative fuels vehicle refueling property or electric vehicle recharging property; **and**
- not have been paid for from the proceeds of grants awarded before January 1, 2015, including grants from the New York State Energy Research and Development Authority or the New York Power Authority.

### Line instructions

If more than one of the following applies to you, complete **all** appropriate schedules on **one** Form CT-637.

**Corporate partners:** Mark an X in box A and complete Schedules B, C, E, and, if applicable, line 16.

**New York S corporations:** Complete Schedules A and B, lines 1 through 6, and, if applicable, line A, and Schedules D and E. Include the amounts from line 5 and 6 on Form CT-34-SH, *New York S Corporation Shareholders' Information Schedule*.

**All others:** Complete Schedules A, B, C, and, if applicable, Schedule D.

**Additional forms:** If you have more entries than will fit on the lines provided in Schedules A, D, or E, submit additional Forms CT-637, completing only the necessary schedules. Include your name and taxpayer identification number on each form. On the indicated line of the first Form CT-637, include the totals from all additional Forms CT-637. Place the extra forms behind the first Form CT-637 and submit them with your return.

### Schedule A: Alternative fuels vehicle refueling and electric vehicle recharging property information and credit amounts

Complete this schedule for alternative fuels vehicle refueling and electric vehicle recharging property placed in service during the tax year.

Do **not** complete this schedule for any property that, by the end of your tax year, met at least one of the following conditions:

- The property no longer qualifies as alternative fuels vehicle refueling property or electric vehicle recharging property.
- 50% or more of the property's use during the tax year was **other than** in a trade or business carried on in New York.
- You sold or disposed of the property, and you know, or have reason to know, that the property will meet one of the two conditions stated above.

**Column A:** Enter the actual physical street address where the vehicle refueling, or recharging property is located. Do not enter a PO Box number.

**Column B:** Enter the cost of the alternative fuels vehicle refueling property or electric vehicle recharging property, including the labor necessary for each installation. Do **not** include any costs paid for from the proceeds of grants.

If needed, see *Additional forms*.

### Calculating the credit for installation of alternative fuels vehicle refueling property

Calculate the credit separately for each fuel dispensing pump, based on the cost of the pump and all the necessary equipment associated with it (such as compression equipment and storage tanks). If more than one pump is being installed in the same location at the same time, determine the cost for each pump by dividing the total cost for all the pumps and necessary equipment by the number of pumps installed.

The amount of the credit allowed per pump by location is the **lesser** of:

- $\frac{\text{total cost of all pumps and necessary equipment} \times 50\% (.5)}{\text{number of pumps}}$ , or
- \$5,000

**Example:** A taxpayer installs alternative fuels vehicle refueling property during Tax Year 1 that consists of one fuel dispensing pump and the equipment necessary to operate that pump. The cost of the fuel dispensing pump is \$12,000 and the cost of the equipment is \$50,000. The amount of credit allowed per pump is the **lesser** of:

- $\frac{(\$12,000 + \$50,000)}{1 \text{ pump}} \times 50\% (.5) = \mathbf{\$31,000}$ , or
- **\$5,000**

**Total credit for Tax Year 1:** \$5,000 (\$5,000 × 1).

In Tax Year 2, the taxpayer adds two additional fuel dispensing pumps at the same time at the above location. The total cost for the two fuel dispensing pumps is \$24,000 and the cost of additional equipment is \$10,000. The amount of credit allowed per pump is the **lesser** of:

- $\frac{(\$24,000 + \$10,000)}{2 \text{ pumps}} \times 50\% (.5) = \mathbf{\$8,500}$ , or
- **\$5,000**

**Total credit for Tax Year 2:** \$10,000 (\$5,000 × 2).

**Calculating the credit for installation of electric vehicle recharging property**

Calculate the credit separately for each charging station, based on the cost of the charging station and all the necessary equipment associated with it. If more than one charging station is being installed in the same location at the same time, the cost for each charging station is determined by dividing the total cost for all the charging stations and necessary equipment by the number of charging stations installed.

The amount of the credit allowed per charging station is the **lesser** of:

- $\frac{\text{total cost of all charging stations plus necessary equipment} \times 50\% (.5)}{\text{number of charging stations}}$ , or
- \$5,000

**Example:** A taxpayer installs electric vehicle recharging equipment during Tax Year 1 that consists of four charging stations and the equipment necessary to operate the charging stations, all of which are installed at the same location and at the same time. The total cost of the four charging stations is \$32,000 and the cost of the equipment is \$20,000. The amount of credit allowed per charging station is the **lesser** of:

- $\frac{(\$32,000 + \$20,000)}{4 \text{ charging stations}} \times 50\% (.5) = \mathbf{\$6,500}$ , or
- **\$5,000**

**Total credit for Tax Year 1:** \$20,000 (\$5,000 × 4).

In Tax Year 2, the taxpayer adds four additional charging stations at the same time to the above location. The total cost of the four charging stations is \$28,000 and the cost of the additional equipment is \$4,000. The amount of credit allowed per charging station is the **lesser** of:

- $\frac{(\$28,000 + \$4,000)}{4 \text{ charging stations}} \times 50\% (.5) = \mathbf{\$4,000}$ , or
- **\$5,000**

**Total credit for Tax Year 2:** \$16,000 (\$4,000 × 4).

**Schedule B: Calculation of available credit for the current tax year**

**Line 3:** If you have an alternative fuels vehicle refueling and electric vehicle recharging property credit from one or more partnerships, check the line A box, complete Schedule E, and enter the amount from line 18 here.

**Lines 5 and 6 (New York S corporations):** Transfer these amounts to Form CT-34-SH and provide your shareholders with their share of these lines.

**Line 7: C corporations only**

If the amount on line 5 is greater than the amount on line 6, subtract line 6 from line 5. This is the amount of your credit; **continue** with the rest of the form.

If the amount on line 6 is greater than the amount on line 5, you have a net recapture amount:

1. Subtract line 5 from line 6 and enter the result with a minus (-) sign.
2. Transfer the line 7 amount (with the minus sign) to the appropriate line of the tax credits section on your franchise tax return.
3. Do not complete Schedule C.

**Schedule C: Calculation of credit used or carried forward**

New York S corporations: **Do not** complete this part.

Lines 8 and 11 entries table		
If you filed	Enter on line 8 any net recapture of other tax credits <b>plus</b> the amount from	Enter on line 11 the minimum tax below
Forms CT-183 and CT-184	Line 4 of Form CT-183 <b>plus</b> the amount from line 3 or 4 of Form CT-184	<b>75</b>
Form CT-3	Part 2, line 2	Part 2, line 1c
Form CT-3-A	Part 2, line 2	Part 2, line 1c

**Line 8:** Enter your franchise tax due before credits using the *Lines 8 and 11 entries table*.

**Line 9:** If you are claiming more than one tax credit for this year, enter the total amount of credits you claimed before applying this credit; otherwise enter **0**. You **must** apply tax credits in a specific order.

**Article 9-A filers:** For the correct order of credits, see Form CT-600-I, *Instructions for Form CT-600, Ordering of Corporation Tax Credits*.

**All other filers:** See your franchise tax return to determine the order of credits.

**Combined filers:** Include the total amount of all tax credits **you and other members of the combined group** are claiming—including the alternative fuels and electric vehicle recharging property credit—that you want to apply before you apply this credit.

**Line 11:** Enter the minimum tax for the form you are filing using the *Lines 8 and 11 entries table*.

**Schedule D: Calculation of credit recapture**

If alternative fuels vehicle refueling property or electric vehicle recharging property ceases to be qualified at any time before

the end of its recovery period (depreciable life), a portion of the credit that was previously allowed must be recaptured.

Alternative fuels vehicle refueling property or electric vehicle recharging property ceases to be qualified if **one or more** of the following applies:

1. The property no longer qualifies as alternative fuels vehicle refueling property or electric vehicle recharging property.
2. 50% or more of the use of the property in a tax year is other than in a trade or business in New York.
3. You received the credit and sold or disposed of the property and knows, or has reason to know, that the property was used in a manner described in 1 or 2 above.

Complete columns A through G for each piece of qualifying property a recapture is required for. If needed, see *Additional forms*.

**Column B:** Enter the total recovery period (depreciable life) of the property for federal tax purposes.

**Line 16: Corporate partners** enter your share of the credits that were recaptured and allocated to you from your partnership and mark an X in box A at the top of the form. If you have recaptured credits allocated from more than one partnership, add them together and enter the total amount from all partnerships.

### **Schedule E: Partnership information**

If you were a partner in a partnership and received a share of this credit from that entity, complete this schedule. Enter the name and employer identification number of the partnership, and the credit amount passed through to you from each partnership. Obtain this information from all partnerships allocating the credit to you. If needed, see *Additional forms*.

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