

# 2009 Alternative Minimum Tax Credit

Your first name and initial \_\_\_\_\_

Last name \_\_\_\_\_

Social Security number \_\_\_\_\_

**Round amounts to the nearest whole dollar.**

**Read the instructions on the back before you complete this schedule.**

**Part 1**

<b>1</b>	Federal adjusted gross income (from line 37 of your 2008 federal Form 1040) . . . . .	<b>1</b>	_____
<b>2</b>	2008 federally exempt interest and dividends (see instructions) . . . . .	<b>2</b>	_____
<b>3</b>	Domestic production activities deduction and depletion (add the domestic production activities deduction included on line 4 and line 7 of 2008 Schedule M1MT) . . . . .	<b>3</b>	_____
<b>4</b>	Expenses deducted on your federal return that are attributable to income not taxed by Minnesota (from line 5 of 2008 Schedule M1M) . . . . .	<b>4</b>	_____
<b>5</b>	Add lines 1 through 4 . . . . .	<b>5</b>	_____
<b>6</b>	Medical and dental deduction (determine from instructions) . . . . .	<b>6</b>	_____
<b>7</b>	Investment interest expense (from line 10 of 2008 Schedule M1MT) . . . . .	<b>7</b>	_____
<b>8</b>	Charitable contributions (from line 11 of 2008 Schedule M1MT) . . . . .	<b>8</b>	_____
<b>9</b>	Casualty and theft losses (from line 12 of 2008 Schedule M1MT) . . . . .	<b>9</b>	_____
<b>10</b>	Impairment-related work expenses of a disabled person (from line 13 of your 2008 Schedule M1MT) . . . . .	<b>10</b>	_____
<b>11</b>	State income tax refund (from line 14 of your 2008 Schedule M1MT) . . . . .	<b>11</b>	_____
<b>12</b>	Net interest or mutual fund dividends from U.S. bonds (from line 16 of your 2008 Schedule M1MT) . . . . .	<b>12</b>	_____
<b>13</b>	JOBZ zone business and investment income exemptions (from line 17 of your 2008 Schedule M1MT) . . . . .	<b>13</b>	_____
<b>14</b>	Other subtractions (from line 18 of your 2008 Schedule M1MT) . . . . .	<b>14</b>	_____
<b>15</b>	Exemption (from line 25 of your 2008 Schedule M1MT) . . . . .	<b>15</b>	_____
<b>16</b>	Add lines 6 through 15 . . . . .	<b>16</b>	_____
<b>17</b>	Subtract line 16 from line 5 (if result is zero or less, enter 0) . . . . .	<b>17</b>	_____
<b>18</b>	Multiply line 17 by 6.4% (.064) . . . . .	<b>18</b>	_____
<b>19</b>	Your 2008 alternative minimum tax (from line 27 of your 2008 Schedule M1MT) . . . . .	<b>19</b>	_____
<b>20</b>	Your 2008 regular income tax (from line 28 of your 2008 Schedule M1MT) . . . . .	<b>20</b>	_____
<b>21</b>	Subtract line 20 from line 19 (if result is zero or less, enter 0) . . . . .	<b>21</b>	_____
<b>22</b>	Subtract line 18 from line 19 (if result is zero or less, enter 0) . . . . .	<b>22</b>	_____
<b>23</b>	Compare line 22 and line 21. <b>Residents:</b> Enter the smaller of the two amounts. <b>Nonresidents and part-year residents:</b> Multiply the smaller amount by line 25 of your 2008 Schedule M1NR . . . . .	<b>23</b>	_____
<b>24</b>	Amount from line 30 of your 2008 Schedule M1MTC . . . . .	<b>24</b>	_____
<b>25</b>	Credit available against your 2009 regular tax. Add lines 23 and 24 . . . . .	<b>25</b>	_____

Available credit

**Part 2**

<b>26</b>	Regular tax for 2009 (see instructions) . . . . .	<b>26</b>	_____
<b>27</b>	Alternative minimum tax for 2009 (see instructions) . . . . .	<b>27</b>	_____
<b>28</b>	Subtract line 27 from line 26 (if result is zero or less, enter 0) . . . . .	<b>28</b>	_____
<b>29</b>	Amount from line 25 or line 28, whichever is less. (Read instructions for 2009 Schedule M1MT.) Also enter this amount on line 6 of Schedule M1C, 2009 Nonrefundable credits . . . . .	<b>29</b>	_____

Allowable credit for 2009

**Part 3 (see instructions)**

<b>30</b>	Subtract line 29 from line 25 . . . . .	<b>30</b>	_____
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Carry-forward

**You must include this schedule, Schedule M1MT and Schedule M1C when you file your 2009 Form M1.**

# 2009 Schedule M1MTC instructions

## If you did not pay the Minnesota alternative minimum tax in prior years, you are not eligible for this credit.

### Purpose of Schedule M1MTC

Schedule M1MTC allows persons who have paid the Minnesota alternative minimum tax in prior years and are not required to pay it in 2009 to determine if they may take a credit against their tax for 2009, or later years. The schedule should be filed with your 2009 Form M1.

Part 1 is used to determine the minimum tax credit generated by Minnesota alternative minimum tax paid for 2008. Part 2 is used to calculate how much, if any, of that credit can be used in 2009. Part 3 is used to determine any minimum tax credit that you can carry forward.

You will not be able to complete Parts 2 and 3 until you determine your 2009 tax liability.

The Minnesota alternative minimum tax is attributable to two types of adjustments and preferences — timing items and exclusion items.

Generally, **timing items** do not cause a permanent difference in taxable income over time. The minimum tax credit is only generated by the alternative minimum tax attributable to timing adjustments and preferences, such as accelerated depreciation, intangible drilling costs preference, exercise of incentive stock options, etc.

**Exclusion items**, such as personal exemptions or any itemized deduction not allowed for alternative minimum tax purposes (e.g. gambling losses, home mortgage interest, taxes or miscellaneous itemized deductions) do cause a permanent difference in taxable income for regular tax vs. alternative minimum tax purposes. The minimum tax credit **is not** generated by the alternative minimum tax attributable to exclusion items.

### Who should file

You may be eligible for this credit if:

- on your 2008 Schedule M1MT, line 26 is more than line 27, and the liability is at least partly due to timing items, or

- you have an amount on line 28 of your 2008 Schedule M1MTC.

If you paid Minnesota alternative minimum tax in one or more years from 1989 through 2008, but did not complete a Schedule M1MTC, you should obtain and complete the form to determine any carryover.

### When to file

File the 2009 Schedule M1MTC with your 2009 Form M1. The credit is not refundable. However, you may carry forward to later years any part of the credit that you cannot use in 2009.

### Line instructions

*Round amounts to the nearest whole dollar.*

#### Part 1

If line 13 and lines 16–27 of your 2008 federal Form 6251 are blank, skip lines 1–23 of this schedule, and start with line 24.

#### Lines 1–25

Part 1 will determine the minimum tax credit, if any, generated by paying the alternative minimum tax in 2008. All line references for Part 1 are to your 2008 Minnesota and federal tax forms.

#### Line 2

Enter the amount of:

- federally exempt interest and dividends from obligations of other states from lines 1 and 2 of your 2008 Schedule M1M, and
- tax-exempt interest from Minnesota private activity bonds issued after August 7, **1986**, included on line 12 of your 2008 federal Form 6251.

#### Line 4

If you deducted interest or other expenses on your 2008 federal return which were attributable to income not taxed by Minnesota, enter the amount from line 5 of your 2008 Schedule M1M.

#### Line 6

To determine line 6, subtract line 2 of your 2008 Schedule M1MT from line 9 of your 2008 Schedule M1MT. Enter the result on line 6 of your Schedule M1MTC.

## Part 2

### Lines 26–29

If you are **not** subject to the alternative minimum tax for 2009, you are eligible for the credit in 2009. However, you must complete and file the 2009 Schedule M1MT to determine the credit for which you are eligible.

If you are subject to the alternative minimum tax for 2009, skip Part 2. You may not take the credit on your 2009 return.

### Line 26

**Full-year residents:** Enter the amount from line 28 of your 2009 Schedule M1MT.

### Part-year residents and nonresidents:

Multiply line 28 of your 2009 Schedule M1MT by line 25 of your 2009 Schedule M1NR.

### Line 27

**Full-year residents:** Enter the amount from line 27 of your 2009 Schedule M1MT.

### Part-year residents and nonresidents:

Multiply line 27 of your 2009 Schedule M1MT by line 25 of your 2009 Schedule M1NR.

The amount on this line cannot be less than zero.

### Line 29

Enter the amount from line 25 or line 28, whichever is less. Also enter this amount on line 2 of Schedule M1C, *2009 Nonrefundable credits*.

This is your 2009 Minnesota alternative minimum tax credit.

## Part 3

### Line 30

If you were subject to the Minnesota alternative minimum tax for 2009 and did not have to complete Part 2, enter the amount from line 25.

You may carry forward any unused portion of your minimum tax credit. If you have a carryforward, include Schedule M1MTC when you file your 2009 Form M1, even if you could not use any of the credit for 2009.

Save copies of the schedule for filing in later years. The 2009 Schedule M1MTC will have a line for this amount.