

07 Name(s) shown on Form IT-40/Form IT-40PNR

Your Social Security Number

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09 XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

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1001 999 99 9999

11 Complete this schedule if you are reporting a recapture of an offset credit that was claimed in a prior year. See instructions.

	Column A Enter Offset Credit Name	Column B Place "X" in Box if K-12 Credit	Column C Account Number, Certification Number, etc.	Column D Offset Credit 3-Digit Code	Column E Amount of Offset Credit to be Recaptured
1.	XXXXXXXXXXXXXXXXXXXX	X	9999999999	999 R	1. 9999999 .00
2.	XXXXXXXXXXXXXXXXXXXX	X	9999999999	999 R	2. 9999999 .00
3.	XXXXXXXXXXXXXXXXXXXX	X	9999999999	999 R	3. 9999999 .00
4.	XXXXXXXXXXXXXXXXXXXX	X	9999999999	999 R	4. 9999999 .00
5.	XXXXXXXXXXXXXXXXXXXX	X	9999999999	999 R	5. 9999999 .00
6.	XXXXXXXXXXXXXXXXXXXX	X	9999999999	999 R	6. 9999999 .00
7.	XXXXXXXXXXXXXXXXXXXX	X	9999999999	999 R	7. 9999999 .00
8.	XXXXXXXXXXXXXXXXXXXX	X	9999999999	999 R	8. 9999999 .00
9.	Add amounts from Column E, lines 1 through 8 (add additional sheets if necessary). Enter here and on Form IT-40 Schedule 4, line 3, or Form IT-40PNR Schedule E, line 3 <b>Total Amount Recaptured</b>				9. 9999999 .00

## Schedule IN-CR Instructions

Use Schedule IN-CR if you have an income tax credit that must be recaptured (paid back).

**Important.** The recapture of credits awarded by the Indiana Economic Development Corporation (IEDC) should not be reported on this schedule. You will be contacted by IEDC and/or the Indiana Department of Revenue regarding repayment or reduction of those credits.

Currently, Indiana has two offset (non-refundable) credits that may need to be paid back:

- CollegeChoice 529 Education Savings Plan Credit
- Residential Historic Rehabilitation Credit

### CollegeChoice 529 Education Savings Plan Credit Recapture

An owner of a *CollegeChoice 529 education savings plan* account who makes a non-qualified withdrawal during the year must repay all or a part of any Indiana tax credit allowed. The account owner must complete and enclose Schedule IN-CR with his or her Indiana income tax return (Forms IT-40 or IT-40PNR).

*Account owner.* The account owner is the individual or entity (such as an individual, trust, estate, partnership, etc.) who has the right to select or change a beneficiary, and to control the distribution of the funds.

*Qualified withdrawal.* This is a withdrawal or distribution from a CollegeChoice 529 education savings plan account that is made:

- to pay for qualified higher education expenses;
- because of the death or disability of an account beneficiary;
- because an account beneficiary received a scholarship that paid all or part of their qualified higher education expenses;
- because of a transfer of funds by the plan from one third party custodian to another.

*Non-qualified withdrawal.* This is a withdrawal or distribution from a CollegeChoice 529 education savings plan that is:

- not a qualified withdrawal;
- a withdrawal or distribution from an account that is closed within 12 months after the account is opened;
- a rollover distribution or transfer from the CollegeChoice 529 education savings plan to any other Code Sec. 529 plan or ABLE account.

For more details, get Information Bulletin #98 at [www.in.gov/dor/3650.htm](http://www.in.gov/dor/3650.htm)

### Residential Historic Rehabilitation Credit Recapture

An individual who has previously claimed this credit must repay it if certain conditions are met.

Specifically, the residential historic rehabilitation credit must be paid back if:

- the property is transferred less than five years after completion of the certified preservation or rehabilitation work; or
- less than five years after completion of the certified preservation or rehabilitation, additional modifications to the property are undertaken that do not meet the standards of the Office of Community and Rural Affairs.

## Lines 1 – 9 Instructions

### Column A

Enter the name of the offset credit that is being paid back.

### Column B

Place an "X" in the box if the non-qualified withdrawal was based on a K-12 contribution\* to your CollegeChoice 529 Education Savings Plan Credit

### Column C

For the CollegeChoice 529 Education Savings Plan Credit, enter the account number(s) from which you made a non-qualified withdrawal(s). Enter any associated account or certification number if the recapture is for the Residential Historic Rehabilitation Credit.



**Column D**

Enter 3-digit code number 837 if the recapture is for the CollegeChoice 529 Education Savings Plan Credit. Enter 3-digit code number 831 if the recapture is for the Residential Historic Rehabilitation Credit.

**Column E**

- For the CollegeChoice 529 Education Savings Plan Credit, multiply the amount of non-qualified withdrawal(s) made during the year for each account listed in Column A by 20 percent (.20). Enter the result in Column E.

\*Important. If the non-qualified withdrawal was based on funds contributed to your 2018 K-12 account, multiply the non-qualified withdrawal by 10 percent (.10). Enter the result in Column E.

- For the Residential Historic Rehabilitation Credit, enter the total amount of the credit previously claimed in Column E.

**Example.** John owns a CollegeChoice 529 Education Savings Plan Account he set up for his son. He made two \$300 non-qualified withdrawals from this account during the year. He will multiply \$600 times 20% and enter the \$120 result in Column E.

**Example.** Anna previously claimed a \$1,200 Residential Historic Rehabilitation Credit. She sold the property on which the credit was granted less than five years from when the work was completed. She will enter the entire \$1,200 in Column E.

**Line 9**

Enter the total of all amounts reported in Column E. Carry the total to Form IT-40, Schedule 4, line 3, or Form IT-40PNR, Schedule E, line 3.

Attach additional sheets if you made non-qualified withdrawals or have credit recaptures from more than eight accounts or certifications.

**Filing Requirements**

- If filing electronically, maintain a copy of this schedule with your records as DOR will request it at a later date.
- If filing by paper, make sure to enclose a copy of this schedule to your individual income tax return, Form IT-40 or IT-40PNR.