



REV-1834 (CT) 08-18

SCHEDULE C-8

ADJUSTMENT FOR BONUS DEPRECIATION

CORPORATION NAME _____ REVENUE ID _____ TAX YEAR BEGINNING _____ TAX YEAR ENDING _____

This Schedule is required to be completed annually and submitted with the RCT-101

1. Unused Bonus Depreciation Balance from prior year: ... 1A. Unrecovered Bonus Depreciation Balance: ... 2. Amount of Federal Bonus Depreciation claimed in this tax year: ... 3. Current Year Bonus Deprec. Addition ... 4. Additional PA Bonus Depreciation Deduction: ... 5. PA Bonus Depreciation Deduction ... 6. Deduction for Property Which is Fully Depreciated, Sold or Otherwise Disposed: ... 7. PA Deduction for Property Which is Fully Depreciated, Sold or Otherwise Disposed: ... 8. PA Bonus Depreciation Deduction ... 9. Remaining Unused Bonus Depreciation Balance Carry-Forward: ...



REV-1834 (CT) 08-18

SCHEDULE C-9

ADJUSTMENT FOR DEDUCTION FOR PROPERTY WHICH IS FULLY DEPRECIATED, SOLD OR OTHERWISE DISPOSED

CORPORATION NAME _____ REVENUE ID _____ TAX YEAR BEGINNING _____ TAX YEAR ENDING _____

This Schedule is required to be completed annually (if applicable) and submitted with the RCT-101

- 1. Property placed in service prior to Sept. 28, 2017:
1A. Bonus Depreciation previously added back on the property
1B. Total PA deduction previously claimed on the property
2. Recovery of Unrecovered Bonus (Line 1A minus 1B)
3. Property Placed in Service on or after Sept. 28, 2017:
3A. Bonus Depreciation previously added back on the property
3B. Total PA deduction previously claimed on the property (MACRS)
4. Recovery of Unrecovered Bonus (Line 3A minus 3B)

Instructions for Schedule C-8/Schedule C-9

Adjustment for Bonus Depreciation/Adjustment for Deduction for Property Which is Fully Depreciated, Sold or Otherwise Disposed

REV-1834 IN (CT) 08-18

SCHEDULE C-8

GENERAL INFORMATION

In the calculation of Corporate Net Income Tax, a taxpayer is required to add back federal bonus depreciation on qualified property claimed under Section 168(k) of the IRC. The Department provided additional guidance in Corporation Tax Bulletin 2018-03 issued July 6, 2018 regarding the add back provisions for qualified property placed in service prior to September 28, 2017 and qualified property placed in service on or after September 28, 2017. This bulletin supersedes CT Bulletin 2017-02. A taxpayer must use REV-1834 Schedule C-8 and Schedule C-9 to determine and report its bonus depreciation adjustment separately for qualified property placed in service during both periods. This schedule must be completed for each year. REV-1834, Schedule C-8 replaces REV-799, Schedule C-3.

LINE INSTRUCTIONS

LINE 1

Unused Bonus Depreciation balance from Prior Year - This is the balance from Column I of the last REV-799 filed (in the tax year 2016) or Line 9 carry-forward from the prior year Schedule C-8.

LINE 1A

Line 1A Bonus Depreciation Balance from Acquired Corporation Where Acquiring Corporation Obtains a Carryover Basis in Qualified Property - With respect to corporate transactions where an acquiring corporation obtains a carryover basis in qualified property, e.g., a tax-free merger under IRC Section 368(a), liquidation under IRC Section 332, or a corporate formation under IRC Section 351, the acquiring corporation would continue to deduct any unrecovered bonus depreciation as if the acquired or contributing corporation still owned the qualified property. The acquiring corporation must provide the date of the transaction, type of transaction (368(a), 332, 351, 381 or 382), Revenue ID and FEIN of the acquired or contributing corporation and supporting documentation including Articles of Merger or Liquidation. Taxpayer also MUST check the Sect 381/382/Merger NOLS/Reg Inv Co/ Sub Para 18 checkbox on Page 1 of the RCT-101, Step B.

LINE 2

Amount of Federal Bonus Depreciation claimed in this year - This amount is reported on the federal Form 4562 and must

be broken out for qualified property placed in service prior to, and on or after September 28, 2017.

LINE 2A

Property placed in service prior to September 28, 2017- Include Bonus Depreciation claimed in the current tax year on property placed in service prior to September 28, 2017.

LINE 2B

Property placed in service on or after September 28, 2017- Include Bonus Depreciation claimed on property placed in service on or after September 28, 2017.

LINE 3

Current Year Bonus Depreciation Addition – Total of Line 2A plus 2B. Carry to Line 3C, page 2, of RCT-101.

LINE 4

Additional PA Bonus Depreciation Deduction - This represents recovery of the previously disallowed bonus depreciation over the life of the qualified property.

LINE 4A

Property placed in service prior to September 28, 2017 – The additional deduction is determined by multiplying the excess of current year federal depreciation reported on the federal Form 4562 for all qualified property placed in service prior to September 28, 2017 for which bonus depreciation was claimed under IRC Section 168(k), less current year bonus depreciation deducted on qualified property placed in service prior to September 28, 2017 times 3/7. In effect, the taxpayer is entitled to an additional deduction of 3/7 of the MACRS depreciation deduction on this property.

LINE 4B

Property placed in service on or after September 28, 2017 – Calculate depreciation pursuant to Sections 167 and 168 of the IRC, without regard to Section 168(k) bonus depreciation. See Corporation Tax Bulletin 2018-03 and Act 72 of 2018.

LINE 5

PA Bonus Depreciation Deduction – Total of Line 4A plus 4B. Add to Line 7 and carry to Line 2C, Page 2, of the RCT-101.

LINE 6

Deduction for Property Which is Fully Depreciated, Sold or Otherwise Disposed. Include on Line 6A and 6B.

LINE 6A

Property placed in service prior to September 28, 2017- Total from Line 2, Schedule C-9. For qualified property placed in service prior to September 28, 2017, a taxpayer is entitled to deduct any added back bonus depreciation not previously deducted in the earlier of the tax year the qualified property is sold or otherwise disposed of, or fully depreciated for federal income tax purposes.

LINE 6B

Property placed in service on or after September 28, 2017- Total from Line 4, Schedule C-9. For qualified property

placed in service on or after September 28, 2017, a taxpayer is permitted to deduct any remaining unrecovered 168k "bonus depreciation" previously added back and not previously deducted in the tax year the qualified property is sold or otherwise disposed.

LINE 7

Disposition of Property Which is Fully Depreciated, Sold or Otherwise Disposed – Total of Line 6A plus 6B.

LINE 8

Total PA Bonus Depreciation Deduction - Total of Line 5 plus 7. Carry to Line 2C, page 2, of the RCT-101.

LINE 9

Remaining Unused Bonus Depreciation Balance Carry-Forward - Line 1 plus Line 1A plus Line 3 minus Line 8.

SCHEDULE C-9**GENERAL INFORMATION**

This schedule must be completed for each year. REV-1834, Schedule C-9 replaces REV-799, Schedule C-4.

LINE INSTRUCTIONS**LINE 1**

Property Placed in Service Prior to September 28, 2017- For qualified property placed in service prior to September 28, 2017 that has been sold, disposed of or fully depreciated for federal income tax purposes; a taxpayer is entitled to deduct any bonus depreciation on that qualified property added back to arrive at Pennsylvania taxable income that has not been deducted in a subsequent taxable year. The deduction should be taken in the earlier of the tax year that the qualified property is sold or otherwise disposed of, or fully depreciated for federal income tax purposes.

LINE 1A

Bonus Depreciation previously added back on the property- Include bonus depreciation previously added back in determining Pennsylvania taxable income on qualified property either sold or otherwise disposed of, or fully depreciated for federal income tax purposes during the taxable year.

LINE 1B

Total PA Deduction previously claimed on the property- Include additional deductions of previously added back bonus depreciation taken on qualified property either disposed of or fully depreciated for federal income tax purposes during the taxable year.

LINE 2

Recovery of Unrecovered Bonus Depreciation – Line 1A minus Line 1B. Carry to Line 6A of Schedule C-8.

LINE 3

Property Placed in Service on or after September 28, 2017- For qualified property placed in service on or after September 28, 2017 that has been sold, disposed of or fully depreciated for federal income tax purposes; a taxpayer is entitled to deduct any bonus depreciation on that qualified property added back to federal taxable income in a prior taxable year to arrive at Pennsylvania taxable income that has not been deducted in a subsequent taxable year. The deduction should be taken in the tax year that the qualified property is sold or otherwise disposed of, or fully depreciated for federal income tax purposes.

LINE 3A

Bonus Depreciation previously added back on the property- Include bonus depreciation previously added back in determining Pennsylvania taxable income for qualified property either sold or disposed of during the taxable.

LINE 3B

Total PA deduction previously claimed on the property (MACRS) - Include the aggregate prior-years and current year depreciation deductions on sold or disposed of qualified property that has been previously taken for Corporate Net Income Tax purposes.

LINE 4

Recovery of Unrecovered Bonus Depreciation - Line 3A minus 3B. Carry to Line 6B of Schedule C-8.