



## Pass-Through Credits

ATTACH TO FORM 20S OR 65

**\*Pass-Through Credits must be submitted through My Alabama Taxes (MAT) before completion of the Schedule PC. See instructions for submission details.**

NAME(S) AS SHOWN ON FORM 20S OR 65

FEDERAL EMPLOYER IDENTIFICATION NUMBER

**PART A – Alabama Enterprise Zone Act Credit (attach Schedule EZ)**

**1 CREDIT ALLOWABLE.** Enter the amount from Schedule EZK1, Part II, page 2, line 13, or Schedule EZ, Part IV, page 2, line 13. ● 1

**PART B – Basic Skills Education Credit**

**You must attach your approved certification notice issued by the Alabama Department of Education.**

**1** Enter your assigned Department of Education Certification Number ● 1

**2** Name of employer/firm sponsoring the education program

**3** Name of approved provider

Address of approved provider

**4** Were all participants for whom you are claiming a tax credit continuously employed by you for at least 16 weeks? ● ☐ Yes ● ☐ No

**5** If the answer to line 4 is yes, did employee(s) work at least 24 hours each week? ● ☐ Yes ● ☐ No

**6** If the answer to lines 4 and 5 above is yes, enter the total expenses available

for credit (see instructions)

● 6

**7 CREDIT ALLOWABLE** (Multiply line 6 by 20% (.20)). ● 7

**PART C – Coal Credit\***

**1** Number of tons of coal produced in current year. ● 1

**2** Number of tons of coal produced in calendar year 1994 or base year. ● 2

**3** Subtract line 2 from line 1. ● 3

**4** Multiply line 3 by \$1, if greater than zero. ● 4

**5** Pro rata share of credit from Schedule K-1. ● 5

● FEIN of entity (if credit from more than one entity, attach schedule)

**6 CREDIT ALLOWABLE.** Add lines 4 and 5. ● 6

**PART D – Full Employment Act of 2011 Credit (attach an itemized list of qualified employees)\* (see instructions)**

Were you in business with 50 or fewer full and/or part-time employees on June 9, 2011? ● ☐ Yes ● ☐ No If "No", you do not qualify for this credit.

**1** Number of full time employees on 12-31-2024 ● 1

**2** Number of full time employees on 12-31-2023 ● 2

**3** Subtract line 2 from line 1. If less than or equal to zero, STOP! You do not qualify for credit. ● 3

**4** Number of qualifying new employees from line 3 that completed their first 12 months service in 2025. ● 4

**5** Multiply line 4 by \$1,000.00 ● 5

**6** Pro rata share of credit from Schedule K-1. ● 6

● FEIN of entity (if credit from more than one entity, attach schedule)

**7 CREDIT ALLOWABLE.** Add lines 5 and 6. ● 7

**PART E – Veteran's Employment Act – Employer Credit\***

**1** Number of unemployed veterans included in line 4, Part D. ● 1

**2** Multiply line 1 by \$2,000.00. ● 2

**3** Pro rata share of credit from Schedule K-1. ● 3

● FEIN of entity (if credit from more than one entity, attach schedule)

**4 CREDIT ALLOWABLE.** Add lines 2 and 3. ● 4

**PART F – Veteran's Employment Act – Business Start-up Expenses Credit\***

Did this business start up after April 2, 2012? ● ☐ Yes ● ☐ No If "No", you do not qualify for this credit.

**1** Name

**2** Enter your business ID number ● 2

**3** Enter total amount of business start-up expenses ● 3

**4** Maximum credit. 4 \$2,000

**5** Enter the lesser of line 3 or line 4 ● 5

**6** Pro rata share of credit from Schedule K-1. ● 6

● FEIN of entity (if credit from more than one entity, attach schedule)

**7 CREDIT ALLOWABLE.** Add lines 5 and 6. ● 7

**PART G – Qualified Irrigation System/Reservoir System Tax Credit (attach supporting documentation)\***

**1** Purchase cost and installation costs of irrigation system. ● 1

**2** Conversion costs to convert from fuel to electricity. ● 2

**3** Add lines 1 and 2. ● 3

**4** Multiply line 3 by 20% (.20). ● 4

**5** Cost of constructing reservoir. ● 5

|    |   |      |          |  |
|----|---|------|----------|--|
| 6  | Multiply line 5 by 20% (.20) . . . . .  | ● 6  |          |  |
| 7  | Enter the amount from line 4 or line 6 here. . . . .                          | ● 7  |          |  |
| 8  | Maximum Credit . . . . .  | 8    | \$10,000 |  |
| 9  | Enter the lesser of line 7 or line 8 . . . . .                                | ● 9  |          |  |
| 10 | Pro rata share of credit from Schedule K-1 . . . . .                          | ● 10 |          |  |
|    | ● FEIN of entity _____ (if credit from more than one entity, attach schedule) |      |          |  |
| 11 | <b>CREDIT ALLOWABLE.</b> Add lines 9 and 10 . . . . .                         | ● 11 |          |  |

**PART H – 2013 Alabama Historic Rehabilitation Tax Credit (attach supporting documentation) \***

1 Enter the information from the approved tax credit certificate for each project.

|      | Project Number:   | Date Placed in Service: | Credit Amount: |     |
|------|---|-------------------------|----------------|-----|
| ● 1a |   |                         |                |     |
| ● 1b |   |                         |                |     |
| ● 1c |   |                         |                |     |
| 2    | <b>CREDIT ALLOWABLE.</b> Add lines 1a, 1b and 1c of Credit Amount column. . . . . |                         |                | ● 2 |

**PART I – Credit for Taxes paid to a Foreign Country (Note: All dollar figures must be in U.S. dollars)**

|   |  |     |  |  |
|---|--|-----|--|--|
| 1 | ● Name of country income earned in _____   |     |  |  |
| 2 | Income from foreign operations . . . . .   | ● 2 |  |  |
| 3 | Tax due the foreign country as shown on that country's tax return . . . . .                                | ● 3 |  |  |
| 4 | <b>MAXIMUM CREDIT AVAILABLE TO OWNERS</b> (multiply line 3 by 50% (.50)) . . . . .                         | ● 4 |  |  |
| 5 | Amount of Credit Applicable to Nonresident Owners (should not be reported on Nonresident K-1s) . . . . .   | ● 5 |  |  |
| 6 | Amount of Credit to be Allocated to Resident Owners on Schedule K-1 (Subtract Line 5 from Line 4). . . . . | ● 6 |  |  |

**PART J – Career-Technical Dual Enrollment Credit (attach your approved certification from the Department of Postsecondary Education)\***

|   |   |     |              |  |
|---|---|-----|--------------|--|
| 1 | Total Qualifying Contribution . . . . .                                   | ● 1 |              |  |
| 2 | Multiply Line 1 by 50%. . . . .   | ● 2 |              |  |
| 3 | Maximum Credit . . . . .  | 3   | \$500,000.00 |  |
| 4 | <b>CREDIT ALLOWABLE.</b> (Enter the lesser of line 2 or line 3) . . . . . | ● 4 |              |  |

**PART K – Investment Credit (Alabama Jobs Act) (attach a copy of your approved certification from the Department of Commerce)\***

|   | Project Number:                | Amount of Credit allocated to Income Tax |  |
|---|--------------------------------|--|--|
| 1 Enter the information requested for each project. . . . .<br>(Include the amount of credit allocated to income tax) | ● 1a                           |  |  |
|   | ● 1b                           |  |  |
|   | ● 1c                           |  |  |
|   | ● 1d                           |  |  |
|   | ● 1e                           |  |  |
|   | ● 1f                           |  |  |
|   | ● 1g                           |  |  |
| 2   | <b>TOTAL CREDIT.</b> . . . . . | ● 2                                      |  |

**PART L – Alabama Accountability Act Credit\***

|   |   |     |  |
|---|---|-----|--|
| 1 | ● Name of Scholarship Granting Organization: _____                            |     |  |
| 2 | Address of Scholarship Granting Organization: _____                           |     |  |
| 3 | Enter amount contributed for scholarship(s) . . . . .                         | ● 3 |  |
| 4 | Pro rata share of credit from Schedule K-1 . . . . .                          | ● 4 |  |
|   | ● FEIN of entity _____ (if credit from more than one entity, attach schedule) |     |  |
| 5 | <b>CREDIT ALLOWABLE.</b> Add lines 3 and 4 . . . . .                          | ● 5 |  |

**PART M – Port Credit (attach your approved certification from the Department of Commerce)**

|   |   |     |  |
|---|---|-----|--|
| 1 | <b>CREDIT ALLOWABLE.</b> Enter the amount from the Department of Commerce Credit Certification. . . . . | ● 1 |  |
|---|---|-----|--|

**PART N – Growing Alabama Credit \***

|   |   |     |  |
|---|---|-----|--|
| 1 | ● Name of Economic Development Organization: _____                            |     |  |
| 2 | Pro rata share of credit from Schedule K-1 if applicable . . . . .            | ● 2 |  |
|   | ● FEIN of entity _____ (if credit from more than one entity, attach schedule) |     |  |
| 3 | Amount of approved contribution. . . . .                                      | ● 3 |  |
| 4 | <b>CREDIT ALLOWABLE.</b> Add lines 2 and 3. . . . .                           | ● 4 |  |

**PART O – 2017 Alabama Historic Rehabilitation Tax Credit (attach supporting documentation) \***

1 Enter the information from the tax credit certificate for each project.

|      | Project Number: | Date Placed in Service: | Credit Amount: |  |
|------|-----------------|-------------------------|----------------|--|
| ● 1a |                 |                         |                |  |
| ● 1b |                 |                         |                |  |
| ● 1c |                 |                         |                |  |

2 CREDIT ALLOWABLE. Add lines 1a, 1b and 1c of Credit Amount column. ● 2

**PART P – Railroad Modernization Act of 2019\***

1 CREDIT ALLOWABLE. Enter the amount of credit as reported on the Department of Commerce Certificate. ● 1

**PART Q – Innovate Alabama Tax Credit\***

1 ● Name of Economic Development Organization

2 Pro rata share of credit from Schedule K-1 ● 2

● FEIN of entity (if credit from more than one entity, attach schedule)

3 Enter amount approved by Innovate Alabama. ● 3

4 CREDIT ALLOWABLE. Add lines 2 and 3. ● 4

**PART R – Alabama Workforce Housing Tax Credit.**

1 ● Project Name

2 ● Project Number

3 Pro rata share of credit from Schedule K-1 ● 3

● FEIN of entity (if credit from more than one entity, attach schedule)

4 Enter amount from Alabama Workforce Housing Credit Certificate issued by Alabama Housing Finance Authority ● 4

5 CREDIT ALLOWABLE. Add lines 3 and 4. ● 5

**Part S – Employer Tax Credit\***

1 Pro rata share of credit from Schedule K-1 ● 1

● FEIN of entity (if credit from more than one entity, attach schedule)

2 Enter amount from Employer Tax Certificate issued by Department of Revenue. ● 2

3 CREDIT ALLOWABLE. Add lines 1 and 2. ● 3

**Part T – Childcare Facility Tax Credit\***

1 Pro rata share of credit from Schedule K-1 ● 1

● FEIN of entity (if credit from more than one entity, attach schedule)

2 Enter amount from Childcare Facility Tax Credit Certificate issued by Department of Revenue. ● 2

3 CREDIT ALLOWABLE. Add lines 1 and 2. ● 3

**Part U – Employer Provider Credit\* for employers who are childcare providers**

1 Pro rata share of credit from Schedule K-1 ● 1

● FEIN of entity (if credit from more than one entity, attach schedule)

2 Enter amount from Employer Provider Credit Certificate issued by Department of Revenue. ● 2

3 CREDIT ALLOWABLE. Add lines 1 and 2. ● 3

**PART V – Income Tax Capital Credit Must file AR-PTE on MAT.\*****Must check applicable box (See Instructions):**● ☐ KRCC received (must attach Form KRCC)● ☐ KRCC issued (must attach Form KRCC)

1 Enter the information requested for each project.

|      | Project Number: | Capital Credit Allowable |
|------|-----------------|--------------------------|
| ● 1a |                 |                          |
| ● 1b |                 |                          |
| ● 1c |                 |                          |
| ● 1d |                 |                          |
| ● 1e |                 |                          |
| ● 1f |                 |                          |
| ● 1g |                 |                          |

2 TOTAL CAPITAL CREDIT ALLOWABLE ● 2

**PART W – Summary**

| 1 <b>TOTAL CREDITS ALLOWABLE.</b> Add Part A, Line 1; Part B, Line 7; Part C, Line 6; Part D, Line 7; Part E, Line 4; Part F, Line 7; Part G, Line 11; Part H, Line 2; Part I, Line 6; Part J, Line 4; Part K, Line 2; Part L, Line 5; Part M, Line 1; Part N, Line 4; Part O, Line 2; Part P, Line 1; Part Q, Line 4; Part R, Line 5; Part S, Line 3; Part T, Line 3; Part U, Line 3; and Part V, Line 2. (Subchapter K entities: Enter the amount from Line 1 on Line 5).  |        | ● 1 |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
|--|--------|-----|--------|--------|---------------------------------|------|---------------|------|---|------|---------------------|------|---------------|------|--------------------------|------|---|------|--------------------------------------|------|-------------------------------|------|--|------|-----------------------|------|---------------------------------|------|----------------------------|------|-----------------------------|------|
| 2 Tax Due (Form 20S, Line 32)  |        | ● 2 |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| 3 Credits to be used to offset 20S tax due on Page 1, Line 33, cannot exceed the tax liability on Part W, line 2.  |        |     |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| <table border="1"> <thead> <tr> <th>Credit</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>a Basic Skills Education Credit</td> <td>● 3a</td> </tr> <tr> <td>b Coal Credit</td> <td>● 3b</td> </tr> <tr> <td>c Career-Technical Dual Enrollment Credit</td> <td>● 3c</td> </tr> <tr> <td>d Investment Credit</td> <td>● 3d</td> </tr> <tr> <td>e Port Credit</td> <td>● 3e</td> </tr> <tr> <td>f Growing Alabama Credit</td> <td>● 3f</td> </tr> <tr> <td>g 2017 Alabama Historic Rehabilitation Tax Credit</td> <td>● 3g</td> </tr> <tr> <td>h Railroad Modernization Act of 2019</td> <td>● 3h</td> </tr> <tr> <td>i Innovate Alabama Tax Credit</td> <td>● 3i</td> </tr> <tr> <td>j Alabama Workforce Housing Tax Credit</td> <td>● 3j</td> </tr> <tr> <td>k Employer Tax Credit</td> <td>● 3k</td> </tr> <tr> <td>l Childcare Facility Tax Credit</td> <td>● 3l</td> </tr> <tr> <td>m Employer Provider Credit</td> <td>● 3m</td> </tr> <tr> <td>n Income Tax Capital Credit</td> <td>● 3n</td> </tr> </tbody> </table> |        |     | Credit | Amount | a Basic Skills Education Credit | ● 3a | b Coal Credit | ● 3b | c Career-Technical Dual Enrollment Credit | ● 3c | d Investment Credit | ● 3d | e Port Credit | ● 3e | f Growing Alabama Credit | ● 3f | g 2017 Alabama Historic Rehabilitation Tax Credit | ● 3g | h Railroad Modernization Act of 2019 | ● 3h | i Innovate Alabama Tax Credit | ● 3i | j Alabama Workforce Housing Tax Credit | ● 3j | k Employer Tax Credit | ● 3k | l Childcare Facility Tax Credit | ● 3l | m Employer Provider Credit | ● 3m | n Income Tax Capital Credit | ● 3n |
| Credit   | Amount |     |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| a Basic Skills Education Credit  | ● 3a   |     |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| b Coal Credit  | ● 3b   |     |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| c Career-Technical Dual Enrollment Credit  | ● 3c   |     |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| d Investment Credit  | ● 3d   |     |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| e Port Credit  | ● 3e   |     |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| f Growing Alabama Credit   | ● 3f   |     |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| g 2017 Alabama Historic Rehabilitation Tax Credit  | ● 3g   |     |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| h Railroad Modernization Act of 2019   | ● 3h   |     |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| i Innovate Alabama Tax Credit  | ● 3i   |     |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| j Alabama Workforce Housing Tax Credit   | ● 3j   |     |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| k Employer Tax Credit  | ● 3k   |     |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| l Childcare Facility Tax Credit  | ● 3l   |     |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| m Employer Provider Credit   | ● 3m   |     |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| n Income Tax Capital Credit  | ● 3n   |     |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| 4 Total credits to be used on Form 20S (add Lines 3a-3n). Enter this amount on Form 20S, Page 1, line 33.  |        | ● 4 |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| 5 Remaining Credits Allowable (subtract line 4 from line 1).   |        | ● 5 |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| 6 2017 Alabama Historic Rehabilitation Tax Credit. S Corporations subtract Part W, line 3g from Part O, line 2.<br>Subchapter K entities: Enter the amount from Part O, line 2. Enter this amount on Form 65, line 33  |        | ● 6 |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| 7 Railroad Modernization Act of 2019. S Corporations subtract Part W, line 3h from Part P, line 1.<br>Subchapter K entities: Enter the amount from Part P, line 1. Enter this amount on Form 65, line 34.  |        | ● 7 |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| 8 Total refundable credits. Total line 6 and line 7.   |        | ● 8 |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |
| 9 Credits allocated to owners (subtract Line 8 from Line 5). Enter this amount in Schedule K, Line 21.   |        | ● 9 |        |        |                                 |      |               |      |   |      |                     |      |               |      |                          |      |   |      |                                      |      |                               |      |  |      |                       |      |                                 |      |                            |      |                             |      |