

**Alternative Minimum Tax—Corporations
(including environmental tax)**

Department of the Treasury
Internal Revenue Service

▶ See separate instructions.

▶ Attach to the corporation's tax return.

| | |
|------|--------------------------------|
| Name | Employer identification number |
|------|--------------------------------|

| | | | | |
|--|-----------|--|--|-----------|
| 1 Taxable income or (loss) before net operating loss deduction. (Important: See instructions if the corporation is subject to the environmental tax.) | | | | 1 |
| 2 Adjustments and preferences: | | | | |
| a Depreciation of post-1986 property | 2a | | | |
| b Amortization of certified pollution control facilities | 2b | | | |
| c Amortization of mining exploration and development costs | 2c | | | |
| d Amortization of circulation expenditures (personal holding companies only) | 2d | | | |
| e Adjusted gain or loss | 2e | | | |
| f Long-term contracts | 2f | | | |
| g Installment sales | 2g | | | |
| h Merchant marine capital construction funds | 2h | | | |
| i Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only) | 2i | | | |
| j Tax shelter farm activities (personal service corporations only) | 2j | | | |
| k Passive activities (closely held corporations and personal service corporations only) | 2k | | | |
| l Loss limitations | 2l | | | |
| m Depletion | 2m | | | |
| n Tax-exempt interest from specified private activity bonds | 2n | | | |
| o Charitable contributions | 2o | | | |
| p Intangible drilling costs | 2p | | | |
| q Reserves for losses on bad debts of financial institutions | 2q | | | |
| r Accelerated depreciation of real property (pre-1987) | 2r | | | |
| s Accelerated depreciation of leased personal property (pre-1987) (personal holding companies only) | 2s | | | |
| t Other adjustments | 2t | | | |
| u Combine lines 2a through 2t | | | | 2u |
| 3 Preadjustment alternative minimum taxable income (AMTI). Combine lines 1 and 2u | | | | 3 |
| 4 Adjusted current earnings (ACE) adjustment: | | | | |
| a Enter the corporation's ACE from line 10 of the worksheet on page 8 of the instructions | 4a | | | |
| b Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative amount (see instructions for examples) | 4b | | | |
| c Multiply line 4b by 75% (.75). Enter the result as a positive amount | 4c | | | |
| d Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments (see instructions). Note: You <i>must</i> enter an amount on line 4d (even if line 4b is positive) | 4d | | | |
| e ACE adjustment: <ul style="list-style-type: none"> • If you entered a positive number or zero on line 4b, enter the amount from line 4c here as a positive amount. • If you entered a negative number on line 4b, enter the smaller of line 4c or line 4d here as a negative amount. | | | | 4e |
| 5 Combine lines 3 and 4e. If zero or less, stop here; the corporation does not owe alternative minimum tax | | | | 5 |
| 6 Alternative tax net operating loss deduction (see instructions) | | | | 6 |
| 7 Alternative minimum taxable income. Subtract line 6 from line 5. | | | | 7 |

| | | | |
|---|-----------|-----------|--|
| 8 Enter the amount from line 7 (alternative minimum taxable income) | 8 | | |
| 9 Exemption phase-out computation (if line 8 is \$310,000 or more, skip lines 9a and 9b and enter -0- on line 9c): | | | |
| a Subtract \$150,000 from line 8 (if you are completing this line for a member of a controlled group, see instructions). If zero or less, enter -0- | | 9a | |
| b Multiply line 9a by 25% (.25). | | 9b | |
| c Exemption. Subtract line 9b from \$40,000 (if you are completing this line for a member of a controlled group, see instructions). If zero or less, enter -0- | 9c | | |
| 10 Subtract line 9c from line 8. If zero or less, enter -0- | 10 | | |
| 11 Multiply line 10 by 20% (.20). | 11 | | |
| 12 Alternative minimum tax foreign tax credit. See instructions for limitations | 12 | | |
| 13 Tentative minimum tax. Subtract line 12 from line 11. | 13 | | |
| 14 Regular tax liability before all credits except the foreign tax credit and possessions tax credit | 14 | | |
| 15 Alternative minimum tax. Subtract line 14 from line 13. Enter the result on the appropriate line of the corporation's income tax return (e.g., Form 1120, Schedule J, line 9a). If zero or less, enter -0- | 15 | | |
| 16 Environmental tax. Subtract \$2 million from line 5 (figured without the corporation's environmental tax deduction). Multiply the excess, if any, by 0.12% (.0012). Enter the result here and on the appropriate line of the corporation's income tax return (e.g., Form 1120, Schedule J, line 9b). If you are completing this line for a member of a controlled group, see the instructions | 16 | | |