

Department of the Treasury  
Internal Revenue Service

▶ See separate instructions.

▶ Attach to Form 1040 or 1041.

Name(s) shown on return

Identifying number

**Part I 1994 Passive Activity Credits**

**Caution:** If you have credits from a publicly traded partnership, see **Publicly Traded Partnerships (PTPs)** on page 14 of the instructions.

<b>Credits From Rental Real Estate Activities With Active Participation (Other Than Rehabilitation Credits and Low-Income Housing Credits)</b> (See Lines 1a through 1c on page 9 of the instructions.)			
1a	Credits from Worksheet 1, column (a) . . . . .	1a	
b	Prior year unallowed credits from Worksheet 1, column (b) . . . . .	1b	
c	Add lines 1a and 1b. . . . .	1c	
<b>Rehabilitation Credits from Rental Real Estate Activities and Low-Income Housing Credits for Property Placed in Service Before 1990 (or From Pass-Through Interests Acquired Before 1990)</b> (See Lines 2a through 2c on page 9 of the instructions.)			
2a	Credits from Worksheet 2, column (a) . . . . .	2a	
b	Prior year unallowed credits from Worksheet 2, column (b) . . . . .	2b	
c	Add lines 2a and 2b. . . . .	2c	
<b>Low-Income Housing Credits for Property Placed in Service After 1989</b> (See Lines 3a through 3c on page 9 of the instructions.)			
3a	Credits from Worksheet 3, column (a) . . . . .	3a	
b	Prior year unallowed credits from Worksheet 3, column (b) . . . . .	3b	
c	Add lines 3a and 3b. . . . .	3c	
<b>All Other Passive Activity Credits</b> (See Lines 4a through 4c on page 9 of the instructions.)			
4a	Credits from Worksheet 4, column (a) . . . . .	4a	
b	Prior year unallowed credits from Worksheet 4, column (b) . . . . .	4b	
c	Add lines 4a and 4b. . . . .	4c	
5	Add lines 1c, 2c, 3c, and 4c . . . . .	5	
6	Enter the tax attributable to net passive income (see instructions) . . . . .	6	
7	Subtract line 6 from line 5. If line 6 is more than or equal to line 5, enter -0- and see the instructions	7	

**Part II Special Allowance for Rental Real Estate Activities With Active Participation**

**Note:** Complete Part II if you have an amount on line 1c. Otherwise, go to Part III.

8	Enter the smaller of line 1c or line 7 . . . . .	8	
9	Enter \$150,000. If married filing separately, see instructions . . . . .	9	
10	Enter modified adjusted gross income, but not less than zero (see instructions). If line 10 is equal to or greater than line 9, skip lines 11 through 15 and enter -0- on line 16 . . . . .	10	
11	Subtract line 10 from line 9 . . . . .	11	
12	Multiply line 11 by 50% (.50). Do not enter more than \$25,000. If married filing separately, see instructions . . . . .	12	
13	Enter the amount, if any, from line 9 of Form 8582 . . . . .	13	
14	Subtract line 13 from line 12 . . . . .	14	
15	Enter the tax attributable to the amount on line 14 (see instructions) . . . . .	15	
16	Enter the smaller of line 8 or line 15 . . . . .	16	

**Part III Special Allowance for Rehabilitation Credits From Rental Real Estate Activities and Low-Income Housing Credits for Property Placed in Service Before 1990 (or From Pass-Through Interests Acquired Before 1990)**

**Note:** Complete Part III if you have an amount on line 2c. Otherwise, go to Part IV.

Table with 3 columns: Description, Line Number, and Amount. Rows 17-29 include instructions for calculating special allowance, such as 'Enter the amount from line 7', 'Subtract line 18 from line 17', and 'Enter the smaller of line 2c or line 19'.

**Part IV Special Allowance for Low-Income Housing Credits for Property Placed in Service After 1989**

**Note:** Complete Part IV if you have an amount on line 3c. Otherwise, go to Part V.

Table with 3 columns: Description, Line Number, and Amount. Rows 31-36 include instructions for calculating special allowance, such as 'If you completed Part III, enter the amount from line 19' and 'Enter the smaller of line 34 or line 35'.

**Part V Passive Activity Credit Allowed**

Table with 3 columns: Description, Line Number, and Amount. Row 37: 'Passive Activity Credit Allowed. Add lines 6, 16, 30, and 36. If you have any credits from a publicly traded partnership, see Publicly Traded Partnerships (PTPs) on page 14 of the instructions'.

**Part VI Election to Increase Basis of Credit Property**

Table with 3 columns: Description, Line Number, and Amount. Rows 38-41 include instructions for election to increase basis, such as 'If you disposed of your entire interest in a passive activity or former passive activity in a fully taxable transaction, and you elect to increase the basis of the credit property used in that activity by the unallowed credit that reduced the property's basis, check here'.