

SUBPART REFERRED TO IN OTHER SECTIONS

This subpart is referred to in section 6401 of this title.

§ 53. Credit for prior year minimum tax liability

(a) Allowance of credit

There shall be allowed as a credit against the tax imposed by this chapter for any taxable year an amount equal to the minimum tax credit for such taxable year.

(b) Minimum tax credit

For purposes of subsection (a), the minimum tax credit for any taxable year is the excess (if any) of—

(1) the adjusted net minimum tax imposed for all prior taxable years beginning after 1986, over

(2) the amount allowable as a credit under subsection (a) for such prior taxable years.

(c) Limitation

The credit allowable under subsection (a) for any taxable year shall not exceed the excess (if any) of—

(1) the regular tax liability of the taxpayer for such taxable year reduced by the sum of the credits allowable under subparts A, B, D, E, and F of this part, over

(2) the tentative minimum tax for the taxable year.

(d) Definitions

For purposes of this section—

(1) Net minimum tax

(A) In general

The term “net minimum tax” means the tax imposed by section 55.

(B) Credit not allowed for exclusion preferences

(i) Adjusted net minimum tax

The adjusted net minimum tax for any taxable year is—

(I) the amount of the net minimum tax for such taxable year, reduced by

(II) the amount which would be the net minimum tax for such taxable year if the only adjustments and items of tax preference taken into account were those specified in clause (ii) and if section 59(a)(2) did not apply.

(ii) Specified items

The following are specified in this clause—

(I) the adjustments provided for in subsection (b)(1) of section 56, and

(II) the items of tax preference described in paragraphs (1), (5), and (7) of section 57(a).

(iii) Special rule

The adjusted net minimum tax for the taxable year shall be increased by the amount of the credit not allowed under section 29 (relating to credit for producing fuel from a nonconventional source) solely by reason of the application of section 29(b)(6)(B), or not allowed under section 30 solely by reason of the application of section 30(b)(3)(B).

(iv) Credit allowable for exclusion preferences of corporations

In the case of a corporation—

(I) the preceding provisions of this subparagraph shall not apply, and

(II) the adjusted net minimum tax for any taxable year is the amount of the net minimum tax for such year increased in the manner provided in clause (iii).

(2) Tentative minimum tax

The term “tentative minimum tax” has the meaning given to such term by section 55(b).

(Added Pub. L. 99-514, title VII, §701(b), Oct. 22, 1986, 100 Stat. 2339; amended Pub. L. 100-647, title I, §1007(g)(4), title VI, §6304(a), Nov. 10, 1988, 102 Stat. 3435, 3756; Pub. L. 101-239, title VII, §§7612(a)(1), (2), (b)(1), 7811(d)(2), Dec. 19, 1989, 103 Stat. 2373, 2374, 2408; Pub. L. 102-486, title XIX, §1913(b)(2)(C), Oct. 24, 1992, 106 Stat. 3020; Pub. L. 103-66, title XIII, §§13113(b)(2), 13171(c), Aug. 10, 1993, 107 Stat. 429, 455; Pub. L. 104-188, title I, §1205(d)(5), 1704(j)(1), Aug. 20, 1996, 110 Stat. 1776, 1881.)

PRIOR PROVISIONS

A prior section 53, added Pub. L. 95-30, title II, §202(b), May 23, 1977, 91 Stat. 146; amended Pub. L. 95-600, title III, §321(c)(2), Nov. 6, 1978, 92 Stat. 2835; Pub. L. 97-34, title II, §207(c)(2), Aug. 13, 1981, 95 Stat. 225; Pub. L. 97-248, title II, §201(d)(8)(A), formerly §201(c)(8)(A), and §265(b)(2)(A)(iii), Sept. 3, 1982, 96 Stat. 420, 547, renumbered §201(d)(8)(A), Pub. L. 97-448, title III, §306(a)(1)(A)(i), Jan. 12, 1983, 96 Stat. 2400; 97-354, §5(a)(12), Oct. 19, 1982, 96 Stat. 1693; 97-448, title I, §102(d)(3), Jan. 12, 1983, 96 Stat. 2370; Pub. L. 98-21, title I, §122(c)(1), Apr. 20, 1983, 97 Stat. 87; Pub. L. 98-369, div. A, title VII, §713(c)(1)(C), July 18, 1984, 98 Stat. 957, placed limitations on the amount of credit allowed by former section 44B for employment of certain new employees, prior to repeal by Pub. L. 98-369, div. A, title IV, §474(p)(8), July 18, 1984, 98 Stat. 838, applicable to taxable years beginning after Dec. 31, 1983, and to carrybacks from such years.

AMENDMENTS

1996—Subsec. (d)(1)(B)(iii). Pub. L. 104-188, §1205(d)(5)(A), which directed that cl. (iii) be amended by striking out “or not allowed under section 28 solely by reason of the application of section 28(d)(2)(B),” was executed by striking out “not allowed under section 28 solely by reason of the application of section 28(d)(2)(B),” after “29(b)(6)(B),” to reflect the probable intent of Congress.

Subsec. (d)(1)(B)(iv)(II). Pub. L. 104-188, §1704(j)(1), amended subcl. (II) generally. Prior to amendment, subcl. (II) read as follows: “the adjusted net minimum tax for any taxable year is the amount of the net minimum tax for such year increased by the amount of any credit not allowed under section 29 solely by reason of the application of section 29(b)(5)(B) or not allowed under section 28 solely by reason of the application of section 28(d)(2)(B).”

Pub. L. 104-188, §1205(d)(5)(B), which directed that subcl. (II) be amended by striking out “or not allowed under section 28 solely by reason of the application of section 28(d)(2)(B),” could not be executed because the phrase sought to be struck out did not appear in text subsequent to the general amendment of subcl. (II) by Pub. L. 104-188, §1704(j)(1), see above, which, pursuant to section 1701 of Pub. L. 104-188, set out as a note under section 1 of this title, is treated as having been enacted before section 1205(d)(5)(B) of Pub. L. 104-188.

1993—Subsec. (d)(1)(B)(ii)(II). Pub. L. 103-66, §13171(c), substituted “(5), and (7)” for “(5), (6), and (8)”.

Pub. L. 103-66, §13113(b)(2), substituted “(6), and (8)” for “and (6)”.