

DRAFT FORM — NOT FOR FILING

This draft form has been updated to include the most recent changes effective for Tax Year 2026 Virginia returns. If legislative changes or issues arise, we will post a new version of this draft form.

Please continue to monitor tax.virginia.gov/early-release-forms for future drafts of this form. Once forms are final, we will post them on our website at tax.virginia.gov/forms.

2026 Virginia
Schedule 500CR

Page 1

Credit Computation Schedule
for Corporations



See Page 6 and Schedule 500CR Instructions for additional information on required enclosures.

Name as shown on Virginia return _____ FEIN _____

Section 1 – Nonrefundable Credits

PART 1 – MAXIMUM NONREFUNDABLE TAX CREDITS

A. Enter the tax from Line 9, Form 500

The maximum total nonrefundable credits claimed in Section 2, Line 1B may not exceed this amount..... **1A** **.00**

PART 2 – NEIGHBORHOOD ASSISTANCE ACT (NAA) TAX CREDIT

A. Authorized amount of **NEIGHBORHOOD ASSISTANCE ACT CREDIT** **A** **.00**
B. Carryover credit from prior year(s) [enclose computation] **B** **.00**
C. Maximum NAA credit available for the taxable year. Add Line A and Line B **C** **.00**
D. Credit allowable this year: Line C or balance of maximum credit available, whichever is less. **2D** **.00**
E. Carryover credit to next year: Line C less Line 2D (if within the 5-year carryover period) ... **E** **.00**

PART 3 – ENTERPRISE ZONE ACT TAX CREDIT

Expired for taxable years beginning on or after January 1, 2020. Only Enterprise Zone Real Property Investment Tax Credit carryover amounts from prior years are allowed. Use the worksheet in the Schedule 500CR instructions to determine the carryover amount that can be used this year.

A. **Nonrefundable credit allowable this year**..... **3A** **.00**

PART 4 – RESERVED FOR FUTURE USE

*** PART 5 – BIODIESEL AND GREEN DIESEL FUELS TAX CREDIT**

A. Enter the amount of biodiesel fuel tax credit authorized by the Department or the amount transferred to you in the current taxable year **A** **.00**
B. Carryover credit from prior year(s) [enclose computation] **B** **.00**
C. Add Line A and Line B **C** **.00**
D. Enter the total credit transferred to others in the current taxable year **D** **.00**
E. Subtract Line D from Line C **E** **.00**
F. Credit allowable this year: Line E or balance of maximum credit available, whichever is less. **5F** **.00**
G. Carryover credit to next year: Line E less Line 5F (if within the 3-year carryover period) **G** **.00**

PART 6 – RESERVED FOR FUTURE USE

PART 7 – RECYCLABLE MATERIALS PROCESSING EQUIPMENT TAX CREDIT

A. Enter 20% of qualifying recyclable equipment cost..... **A** **.00**
B. Carryover credit from prior year(s). **B** **.00**
C. Add Line A and Line B **C** **.00**
D. Enter 40% of tax per return. See instructions..... **D** **.00**
E. Maximum credit: Enter the amount from Line C or Line D, whichever is less **E** **.00**
F. **Credit allowable this year:** Line E or balance of maximum credit available, whichever is less **7F** **.00**
G. Carryover credit to next year: Line C less Line 7F (if within the 10-year carryover period) **G** **.00**

Enclose Schedule 500CR with your Virginia Corporation Income Tax Return, Form 500.

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*** PART 8 – VEHICLE EMISSIONS TESTING EQUIPMENT TAX CREDIT**

- A. Reserved for Future UseA ~~_____~~ .00
- B. Reserved for Future UseB ~~_____~~ .00
- C. Reserved for Future UseC ~~_____~~ .00
- D. Enter 20% of the purchase or lease price paid during the taxable year plus
any carryover credit from prior year(s) for qualified vehicle emissions testing equipment .. D _____ .00
- E. **VEHICLE EMISSIONS TESTING EQUIPMENT TAX CREDIT allowable this year:**
Enter the amount from Line D or balance of maximum credit available, whichever is less..... **8E** _____ .00
- F. Carryover credit to next year: Line D less Line 8E (if within the 5-year carryover period)F _____ .00

PART 9 – MAJOR BUSINESS FACILITY JOB TAX CREDIT

- A. **Credit amount authorized by the Department** (include all expansions).....A _____ .00
- B. Carryover credit from prior years (include all expansions)B _____ .00
- C. Add Line A and Line B C _____ .00
- D. **Credit allowable this year:** Line C or balance of maximum credit available, whichever is less..... **9D** _____ .00
- E. Carryover credit to next year: Line C less Line 9D (if within the 10-year carryover period)..... E _____ .00

PART 10 – RESERVED FOR FUTURE USE

PART 11 – HISTORIC REHABILITATION TAX CREDIT

- A. Enter the amount of eligible expensesA _____ .00
- B. Enter 25% of the amount on Line A.....B _____ .00
- C. Carryover credit from prior year(s) C _____ .00
- D. Add Line B and Line C D _____ .00
- E. **Credit allowable this year:** Line D or balance of maximum credit available, whichever is less
(Each credit holder cannot claim more than \$7.5 million) **11E** _____ .00
- F. Carryover credit to next year: Line D less Line 11E (if within the 10-year carryover period)F _____ .00

PART 12 – RESERVED FOR FUTURE USE

*** PART 13 – WASTE MOTOR OIL BURNING EQUIPMENT TAX CREDIT**

- A. Enter 50% of the purchase price paid during the taxable year for equipment used
exclusively for burning waste motor oil at your business facilityA _____ .00
- B. **Credit allowable this year:** Enter the lesser of \$5,000 or the amount on Line A, not to exceed maximum credit available.... **13B** _____ .00

PART 14 – RIPARIAN WATERWAY BUFFER TAX CREDIT

- A. Enter the credit amount authorized by the Virginia Department of ForestryA _____ .00
- B. Carryover credit from prior year(s) [enclose computation]B _____ .00
- C. Add Line A and Line B C _____ .00
- D. **Credit allowable this year:** Line C or balance of maximum credit available, whichever is less..... **14D** _____ .00
- E. Carryover credit to next year: Line C less Line 14D (if within the 5-year carryover period).....E _____ .00

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PART 15 – LAND PRESERVATION TAX CREDIT

- A. Enter the credit amount originating in 2026 or the amount of credit transferred to you in 2026.....A _____ .00
- B. Carryover credit from prior year(s) [enclose computation]B _____ .00
- C. Add Line A and Line BC _____ .00
- D. Enter the total credit transferred to others in 2026D _____ .00
- E. Line C less Line DE _____ .00
- F. **Credit allowable this year:** Line E or balance of maximum credit available, whichever is less.
(Not to exceed the limitation for each taxpayer. See instructions.) **15F** _____ .00
- G. Carryover credit to next year: Line E less Line 15F (see instructions for carryover period)G _____ .00

PART 16 – VIRGINIA COAL EMPLOYMENT AND PRODUCTION INCENTIVE TAX CREDIT

- A. Reserved for Future UseA ~~_____ .00~~
- B. Reserved for Future UseB ~~_____ .00~~
- C. Carryover credit from prior year(s), if eligible for carryover credits. [enclose computation]C _____ .00
- D. Add Line B and Line CD _____ .00
- E. Reserved for Future UseE ~~_____ .00~~
- F. Subtract Line E from Line DF _____ .00
- G. **Credit allowable this year:** Enter Line F or balance of maximum credit available, whichever is less
(Not to exceed \$1 million)..... **16G** _____ .00
- H. Carryover credit to next year: Line F less Line 16G (if eligible for carryover credits).....H _____ .00

PART 17 – COMMUNITIES OF OPPORTUNITY TAX CREDIT - EXPIRED JANUARY 1, 2026

- A. Reserved for Future UseA ~~_____ .00~~
- B. Carryover credit from prior year(s)B _____ .00
- C. Add Line A and Line BC _____ .00
- D. **Credit allowable this year:** Enter amount from Line C or balance of maximum credit available, whichever is less **17D** _____ .00
- E. Carryover credit to next year: Line C less Line 17D (if within the 5-year carryover period).....E _____ .00

PART 18 – GREEN AND ALTERNATIVE ENERGY JOB CREATION TAX CREDIT – EXPIRED JANUARY 1, 2025

- A. Reserved for Future UseA ~~_____ .00~~
- B. Carryover credit from prior year(s)B _____ .00
- C. Add Line A and Line BC _____ .00
- D. **Credit allowable this year:** Enter amount from Line C or balance of maximum credit available, whichever is less **18D** _____ .00
- E. Carryover credit to next year: Line C less Line 18D (if within the 5-year carryover period).....E _____ .00

PART 19 – FARM WINERIES AND VINEYARDS TAX CREDIT

- A. Enter the total eligible credit amountA _____ .00
- B. Carryover credit from prior year(s)B _____ .00
- C. Add Line A and Line BC _____ .00
- D. **Credit allowable this year:** Enter amount from Line C or balance of maximum credit available, whichever is less **19D** _____ .00
- E. Carryover credit to next year: Line C less Line 19D (if within the 10-year carryover period).....E _____ .00

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PART 20 – INTERNATIONAL TRADE FACILITY TAX CREDIT – EXPIRED JANUARY 1, 2025

A. Reserved for Future UseA ~~_____~~ .00

B. Carryover credit from prior year(s)B _____ .00

C. Add Line A and Line B C _____ .00

D. Enter 50% of the tax imposed on the taxpayer for the taxable year..... D _____ .00

E. Maximum credit: Enter the amount on Line C or Line D, whichever is lessE _____ .00

F. **Credit allowable this year:** Enter amount from Line E or balance of maximum credit available, whichever is less **20F** _____ .00

G. Carryover credit to next year: Line C less Line 20F (if within the 10-year carryover period) G _____ .00

PART 21 – PORT VOLUME INCREASE TAX CREDIT – EXPIRED JANUARY 1, 2025

A. Reserved for Future UseA ~~_____~~ .00

B. Carryover credit from prior year(s)B _____ .00

C. Add Line A and Line B C _____ .00

D. Reserved for Future UseD ~~_____~~ .00

E. Line C less Line DE _____ .00

F. **Credit allowable this year:** Enter amount from Line E or balance of maximum credit available, whichever is less **21F** _____ .00

G. Carryover credit to next year: Line E less Line 21F (if within the 5-year carryover period)..... G _____ .00

PART 22 – BARGE AND RAIL USAGE TAX CREDIT – EXPIRED JANUARY 1, 2025

A. Reserved for Future UseA ~~_____~~ .00

B. Carryover credit from prior year(s)B _____ .00

C. Add Line A and Line B C _____ .00

D. **Credit allowable this year:** Enter amount from Line C or balance of maximum credit available, whichever is less **22D** _____ .00

E. Carryover credit to next year: Line C less Line 22D (if within the 5-year carryover period)E _____ .00

PART 23 – LIVABLE HOME TAX CREDIT

A. Enter the total eligible credit amountA _____ .00

B. Carryover credit from prior year(s)B _____ .00

C. Add Line A and Line B C _____ .00

D. **Credit allowable this year:** Enter amount from Line C or balance of maximum credit available, whichever is less **23D** _____ .00

E. Carryover credit to next year: Line C less Line 23D (if within the 7-year carryover period)E _____ .00

PART 24 – RESERVED FOR FUTURE USE

PART 25 – MAJOR RESEARCH AND DEVELOPMENT EXPENSES TAX CREDIT – EXPIRED JANUARY 1, 2025

A. Reserved for future useA ~~_____~~ .00

B. Carryover credit from prior year(s).B _____ .00

C. Add Line A and Line B C _____ .00

D. **Credit allowable this year:** Enter amount from Line C or balance of maximum credit available, whichever is less.
(This amount cannot be more than 75% of tax on your return)..... **25D** _____ .00

E. Carryover credit to next year: Line C less Line 25D (if within the 10-year carryover period)....E _____ .00

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PART 26 – EDUCATION IMPROVEMENT SCHOLARSHIPS TAX CREDIT

- A. Enter the total eligible credit amount authorized by the Virginia Department of Education.....A _____ .00
- B. Carryover credit from prior year(s)B _____ .00
- C. Add Lines A and B C _____ .00
- D. **Credit allowable this year:** Enter amount from Line C or balance of maximum credit available, whichever is less**26D** _____ .00
- E. Carryover credit to next year: Line C less Line 26D (if within the 5-year carryover period)E _____ .00

PART 27 – FOOD DONATION TAX CREDIT

- A. Enter the total eligible credit amount authorized by the Department.....A _____ .00
- B. Carryover credit from prior year(s)B _____ .00
- C. Add Line A and Line B C _____ .00
- D. **Credit allowable this year:** Enter amount from Line C or balance of maximum credit available, whichever is less**27D** _____ .00
- E. Carryover credit to next year: Line C less Line 27D (if within the 5-year carryover period)E _____ .00

PART 28 – WORKER TRAINING TAX CREDIT - EXPIRED JULY 1, 2025

- A. Reserved for Future Use.....A ~~_____ .00~~
- B. Carryover credit from prior year(s)B _____ .00
- C. Add Line A and Line B C _____ .00
- D. **Credit allowable this year:** Enter amount from Line C or balance of maximum credit available, whichever is less**28D** _____ .00
- E. Carryover credit to next year: Line C less Line 28D (if within the 3-year carryover period)E _____ .00

PART 29 – VIRGINIA HOUSING OPPORTUNITY TAX CREDIT

- A. Enter the total eligible credit amount authorized by the Housing Development AuthorityA _____ .00
- B. Carryover credit from prior year(s)B _____ .00
- C. Add Line A and Line B C _____ .00
- D. **Credit allowable this year:** Enter amount from Line C or balance of maximum credit available, whichever is less**29D** _____ .00
- E. Carryover credit to next year: Line C less Line 29D (if within the 5-year carryover period)E _____ .00

Section 2 – Total Nonrefundable Credits

PART 1 – TOTAL NONREFUNDABLE TAX CREDITS

- A. Add the amounts on Lines 2D, 3A, 5F, 7F, 8E, 9D, 11E, 13B, 14D, 15F, 16G, 17D, 18D, 19D, 20F, 21F, 22D, 23D, 25D, 26D, 27D, 28D, and 29DA _____ .00
- B. **TOTAL NONREFUNDABLE CREDITS ALLOWABLE THIS YEAR:** Enter the amount from Line A or the amount from Section 1, Line 1A, whichever is less. Transfer this amount to Form 500, Line 10.....**1B** _____ .00

Section 3 – Refundable Credits

PART 1 – RESERVED FOR FUTURE USE

PART 2 – MOTION PICTURE PRODUCTION TAX CREDIT

- A. Enter the credit amount authorized by the Virginia Film Office within the Virginia Tourism Authority.....**2A** _____ .00

PART 3 – RESERVED FOR FUTURE USE

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PART 4 – AGRICULTURAL BEST MANAGEMENT PRACTICES TAX CREDIT

A. Credit allowable this year: (not to exceed \$75,000) **4A** **.00**

PART 5 – CONSERVATION TILLAGE AND PRECISION AGRICULTURE EQUIPMENT TAX CREDIT

A. Credit allowable this year: Enter credit amount authorized by the Department (not to exceed \$17,500) **5A** **.00**

Section 4 – Total Refundable Credits

PART 1 – TOTAL REFUNDABLE CREDITS

A. Enter the total of Section 3, Lines 2A, 4A, and 5A here and on Form 500, Line 14 **1A** **.00**

*** WHAT TO ENCLOSE WITH THE RETURN**

The following enclosures should be included with your return when claiming the original credit. Computation schedules are required when claiming a carried-forward credit. Missing enclosures may cause a credit to be disallowed. Refer to Schedule 500CR Instructions for additional information about required enclosures.

- **BIODIESEL AND GREEN DIESEL FUELS TAX CREDIT:** The letter of certification from the Virginia Department of Taxation authorizing the credit.
- **VEHICLE EMISSIONS TESTING EQUIPMENT TAX CREDIT:** Copy of your Air Check Virginia Station Participation and Services Agreement or a copy of the Northern Virginia Analyzer Equipment Certification. For a copy of your service agreement, contact Opus Inspection at **(703) 822-7587**. For a copy of the Analyzer Equipment Certification, contact Air Check Virginia at **(703) 583-3800**.
- **WASTE MOTOR OIL BURNING EQUIPMENT TAX CREDIT:** Approved Form 50-12 from the Department of Environmental Quality, receipts, invoices, or other documentation to confirm purchase price paid.