



Schedule VP
Vanpool Credit

Name Federal Identification number

Table with columns for Eligible costs, a. Purchased, and b. Leased. Rows include line 1 for descriptions, line 2 for totals, line 3 for total costs, and line 4 for Vanpool Credit allowable.

General Information

What Is the Vanpool Credit?

The Vanpool Credit is a tax credit equal to 30% of the total purchase or lease costs for shuttle vans used in an employer-sponsored ride-sharing program.

Who Is Eligible to Take the Vanpool Credit?

Any business corporation which purchases or leases shuttle vans as part of an employer-sponsored ridesharing program in Massachusetts is eligible for the Vanpool Credit.

Who Is an Employee?

For purposes of the Vanpool Credit, an employee is an individual who:

- Works more than eight paid hours per week for an employer; or
• Is a full-time student at a college, university or other postsecondary educational institution and who commutes between home and campus on a regular basis.

What Is a Shuttle Van?

A shuttle van is a highway vehicle which meets all of the following requirements:

- It has a seating capacity of at least seven adults, including the driver;
• At least 80% of its mileage can be reasonably expected to be from the transportation of students and employees; and
• At least half of its adult seating capacity is occupied on average.

Are All Costs Eligible for the Credit?

No. Only the costs of purchasing or leasing shuttle vans are eligible. The credit does not apply to the cost of insurance, maintenance, fuel, drivers' salaries or other operating expenses.

Is Depreciation Allowed on Shuttle Vans?

Yes. A depreciation deduction may be taken on any qualifying vehicle. However, the basis upon which the depreciation is taken must be reduced by the amount of the allowable credit.

When Must a Corporation Take the Vanpool Credit?

For purchased vehicles, the Vanpool Credit may only be taken in the taxable year in which the qualifying vehicles were acquired and placed in service.

Line Instructions

Line 1

Enter in line 1 the make, model and registration number of the qualifying shuttle van(s). For purchased vans, enter in col. a the total purchase cost.

Line 2

Total all taxable year qualifying costs for each column.

Line 3

Total all qualifying costs for the taxable year.