

STATE OF HAWAII—DEPARTMENT OF TAXATION

FORM
N-348
(REV. 2025)**CAPITAL INFRASTRUCTURE TAX CREDIT**TAX
YEAR**20**

Or fiscal year beginning _____, 20____, and ending _____, 20____

ATTACH TO FORM F-1, N-11, N-15, N-20, N-30, N-35, N-40, OR N-70NP

Name(s) as shown on tax return

SSN or FEIN

Note: The Capital Infrastructure Tax Credit expired on December 31, 2019. You may file this form only if you have a carryover of the tax credit from a prior year.

Part I CARRYOVER COMPUTATION

1 Carryover of unused capital infrastructure tax credit from prior year	1	
2 Adjusted Tax Liability (Not to be completed by Form N-20 and Form N-35 filers) Enter your adjusted tax liability from the applicable Form F-1, N-11, N-15, N-30, N-40 or N-70NP.....	2	
3 If you are claiming other nonrefundable credits, complete the credit worksheet in the instructions and enter the total here. If you are not claiming other nonrefundable credits, enter zero.....	3	
4 Line 2 minus line 3. This represents your remaining tax liability. If the result is zero or less than zero, enter zero	4	
5 Total Credit Applied — Enter the smaller of line 1 or line 4. This is your capital infrastructure tax credit applied for the year. Also, enter this amount on Schedule CR, line 23 in Column (c) or Form F-1, line 73, whichever is applicable.....	5	
6 Unused Credit to Carryover — Line 1 minus line 5. This represents your current year's carryover of unused credit which may be carried over and used as a credit against your tax liability in subsequent years until exhausted. If this amount is more than zero, also enter it on Schedule CR, line 23 in Column (d)	6	

Part II RECAPTURE OF THE TAX CREDIT

1 Enter the amount of the credit claimed in tax years 2014 through 2019.....	1	
2 Enter your share of the recapture of the credits as reported on Schedule K-1(s).....	2	
3 Add lines 1 and 2. This represents the recapture of the credit. Enter or include this amount, rounded to the nearest dollar, on the applicable line of your tax return. (See Instructions)	3	



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Note: The Capital Infrastructure Tax Credit expired on December 31, 2019. You may file this form only if you have a carryover of the tax credit from a previous year.

GENERAL INSTRUCTIONS

The capital infrastructure tax credit under section 235-17.5, Hawaii Revised Statutes, helps tenants who were displaced by the Kapalama container terminal project, is effective for taxable years beginning after December 31, 2013. The credit will not be available for taxable years beginning after December 31, 2019.

The tax credit is the lesser of 50% of the capital infrastructure costs paid or incurred by a qualified infrastructure tenant during the taxable year or \$2,500,000.

This credit may not be claimed if the capital infrastructure costs are used to claim another credit.

The deadline to claim the credit, including amended claims, is 12 months after the close of your taxable year. You cannot claim or amend the credit after the deadline.

Carryover Requirements

To carryover this credit, you must complete and attach to your Hawaii income tax or franchise tax return (1) Form N-348 and (2) Schedule CR (Forms N-11, N-15, N-30, N-40 and N-70NP).

If you are not able to use this credit because your tax liability on line 4 is zero, file the forms listed above with your Hawaii tax return to claim and carryover your unused credit. If the forms are not attached, you will lose any carryover of your unused credit.

Recapture of the Tax Credit

Any credit claimed shall be recaptured following the close of the taxable year for which the credit is claimed if:

(1) Within three years:

- (A) The qualified infrastructure tenant fails to continue the line of business it conducted as of July 1, 2014; or
- (B) The interest in the qualified infrastructure tenant, whether in whole or in part, has been sold, exchanged, withdrawn, or otherwise disposed of by the taxpayer claiming a credit; or

(2) The qualified infrastructure tenant fails to relocate from the former Kapalama military reservation site to another location, pursuant to a lease with the Department of Transportation, within 90 days of the execution of the lease.

The recapture shall be equal to 100% of the amount of the total tax credit claimed in the preceding five taxable years, and shall be added to the taxpayer's tax liability for the taxable year in which the recapture occurs.

SPECIFIC INSTRUCTIONS

Part I, Carryover Computation

Line 1 — This line is for the carryover of unused capital infrastructure tax credit from the prior year.

Line 3 — The law requires that certain other credits offset a taxpayer's tax liability before allowing a capital infrastructure tax credit. If you are claiming other nonrefundable credits, complete the **Credit Worksheet** in these instructions and enter the result on line 3. If you are not claiming other nonrefundable credits, enter zero.

Part II, Recapture of the Tax Credit

Line 1 — The recapture is 100% of the amount of the total tax credit claimed in the preceding five taxable years.

Line 2 — Enter the total amount of recapture of the credit reported on all Schedule K-1(s) issued to you.

CAPITAL INFRASTRUCTURE TAX CREDIT WORKSHEET	
Tax Credit	Amount
a. Income Taxes Paid to Another State or Foreign Country	_____
b. Enterprise Zone Tax Credit	_____
c. Carryover of the Energy Conservation Tax Credit	_____
d. Credit for Employment of Vocational Rehabilitation Referrals	_____
e. Credit for School Repair and Maintenance	_____
f. Carryover of the Renewable Energy Technologies Income Tax Credit (For Systems Installed and Placed In Service Before July 1, 2009)..	_____
g. Renewable Energy Technologies Income Tax Credit (Nonrefundable).....	_____
h. Carryover of the Cesspool Upgrade, Conversion or Connection Income Tax Credit.....	_____
i. Carryover of the Earned Income Tax Credit (Nonrefundable)....	_____
j. Healthcare Preceptor Tax Credit.....	_____
k. Historic Preservation Income Tax Credit.....	_____
l. Pass-Through Entity Tax Credit.....	_____
m. Low-Income Housing Tax Credit.....	_____
n. Carryover of the High Technology Business Investment Tax Credit	_____
o. Carryover of the Technology Infrastructure Renovation Tax Credit.....	_____
p. Carryover of the Residential Construction and Remodeling Tax Credit.....	_____
q. Carryover of the Hotel Construction and Remodeling Tax Credit.....	_____
r. Add lines a through q. Enter the amount here and on Part I, line 3.....	_____