



Instructions for Application and Verification Form
for Residential Energy Tax Credit Certification

Premium Efficiency Ductless Heat Pumps

Oregon Department of Energy

The Oregon Residential Energy Tax Credit Program provides a tax credit for installation of ductless heat pumps, sometimes called “mini-split” heat pumps, certified energy efficient by the Oregon Department of Energy.

The eligibility requirements for Premium Efficiency ductless heat pumps are:

- Variable speed compressor (“inverter technology”)
- No built-in resistance heat
- Listing in the Air Conditioning Heating and Refrigeration Institute (AHRI) database
- Installed by a technician who has received factory-sponsored training within the past five years. They must follow manufacturer’s start-up and commissioning procedures as described in the manufacturer’s installation manual.

A list of eligible ductless heat pumps by manufacturer and model are available on our Web site or call us at the number below. The list is updated as new models are released and added to the [Air Condition Heating and Refrigeration Institute \(AHRI\) database](http://www.ahridirectory.org) (www.ahridirectory.org).

To qualify for a tax credit, you must have an Oregon income tax liability and the system must be installed your principal or vacation home located in Oregon. If you are an Oregon resident and do not have an Oregon income tax liability, you may choose to transfer your tax credit to an individual or business with an Oregon income tax liability using the “pass through option”. You are responsible for finding the pass-through partner for this transfer. See section 4 of the *Application and Verification Form* for details about this option.

Don't wait to apply for the tax credit as processing may take several weeks. You will receive certification that you will need when you file your tax return. Take the following steps to receive your tax credit:

- 1. Verify that the ductless heat pump system is eligible for a tax credit** and that the technician installing your system has received factory-sponsored training within the past 5 years.
- 2. Be sure the installing technician has completed Sections 2 and 3 of the *Application and Verification form*.** The technician must follow manufacturer’s start-up and commissioning procedures and provide a copy of the start-up procedures from the manufacturer’s installation manual. This copy must be dated and signed by the technician and included with this application. Be sure your paid receipt clearly shows the date, name of the installing company, the make and model numbers of the system(s), your equipment cost and the total amount paid.
- 3. Submit a completed *Application and Verification Form for Tax Credit Certification - Premium Efficiency Ductless Heat Pumps*.** Sign it and mail it with a copy of your receipt to the Oregon Department of Energy. If you qualify for the tax credit, the Oregon Department of Energy will approve your application and send you a certification specifying the qualifying tax credit amount.

OVER

- 4. Claim the tax credit on your state income tax form.** Keep your certification, a copy of your application, and proof of payment with your tax records. (Do not attach them to your tax return.) If your return is audited, the Oregon Department of Revenue will request copies of the information from you. You may carry forward any unused credit for up to five years.

Eligibility for the Oregon Residential Energy Tax Credit

To qualify for the Oregon Residential Energy Tax Credit, you must be an Oregon resident and the equipment must be located in an Oregon dwelling that is your primary or secondary (vacation) residence. Owners of equipment installed in rental and commercial property should use the Business Energy Tax Credit program.

The tax credit issued normally applies to the tax year the equipment was purchased or placed in service, as long as you place it in service by April 1 of the following year and the Oregon Department of Energy has received your completed application by that date.

Claim the tax credit on your Oregon income taxes and keep the Certification card with your tax records. If your return is audited, the Oregon Department of Revenue will request copies of the information from you. You may carry forward any unused tax credit amounts for up to five years.

The Oregon Department of Energy certifies the energy efficiency of systems and equipment for the Oregon Residential Energy Tax Credit program. It is the applicant's responsibility to ensure compliance with all other eligibility requirements. If you have questions concerning claiming the credit on your Oregon tax return, contact the Oregon Department of Revenue at 1-800-356-4222 or 503-378-4988.

Note: Your Social Security Number is required to process your tax credit application. It is used to establish your identity for tax purposes only and is authorized by Section 405, Title 42 of the United States Code.

Pass-through Option

If you are a full-time Oregon resident and do not have an Oregon income tax liability, you may choose to transfer your tax credit to another full-time Oregon resident or Oregon business that does have tax liability. The Pass-through Option will allow you to transfer your tax credit to an individual or business with an Oregon tax liability who will make a lump-sum payment to you based on a percentage of the certified tax credit amount. To use this option, complete this application form first. Your application will be reviewed for eligibility. A Pass-through Option Application will be sent to you in return. You and your pass-through partner (the tax credit recipient) will complete and sign the Pass-through Option Application and mail it to the Oregon Department of Energy. You are responsible for finding your own pass-through partner. The Oregon Department of Energy will then issue the tax credit certification to the pass-through partner. **The pass-through option is a one-time transfer and is final. There may be tax implications. We advise you to consult with your tax preparer.**

If you have questions concerning claiming the tax credit on your Oregon tax return, contact the Oregon Department of Revenue at 1-800-356-4222 or (503) 378-4988.

If you have any questions about equipment eligibility and application process, please call the Oregon Department of Energy toll-free: 1-800-221-8035. (In Salem, call 503-378-4040.) or consult the Oregon Department of Energy Web site www.oregon.gov/energy





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Premium Efficiency Ductless Heat Pumps

Oregon Department of Energy

625 Marion St. NE
Salem, OR 97301-3737
Toll-free: 1-800-221-8035
Salem: (503) 378-4040 Fax (503) 373-7806
Web site: www.oregon.gov/energy

Don't forget...
...to sign your application
and include your receipt

1. CUSTOMER INFORMATION **Required to process*

Name:		*Social Security No. ^A :	
Mailing address:		Daytime phone:	
City:	Oregon County:	State:	Zip:
Street address where system(s) installed (if different):			
City:	Oregon County:	State:	Zip:
If different than mailing address, please explain:			
Check if this is your: <input type="checkbox"/> Primary residence <input type="checkbox"/> Secondary (vacation) residence <input type="checkbox"/> I am renter of this property <i>(Landlords and builders do not use this form. Please apply through the Business Energy Tax Credit program.)</i>			

2. HOUSE INFORMATION *Installing Technician should complete this section*

Installation type: <input type="checkbox"/> New home <input type="checkbox"/> Existing home (main heating system) <input type="checkbox"/> Room addition/basement/attic	
Total house heated floor area: _____ sq. ft.	Percent area served by ductless system(s) _____ %
Other heating systems in house: <input type="checkbox"/> Electric resistance <input type="checkbox"/> Gas/oil furnace <input type="checkbox"/> Wood/pellet stove	
Electric utility company:	Natural gas utility (if any):

3. SYSTEM INFORMATION *Installing Technician should complete this section.*

Manufacturer _____	Outside model # _____
*AHRI Reference # ^B _____	Inside model # 1 _____
Date of Installation _____	Inside model # 2 _____
Rated heat output: _____ BTU/hour	Inside model # 3 _____
Customer equipment net cost \$	Total cost (including equipment) \$
Tax credit calculation: Total BTU/hour divided by 6,000 X \$50 = \$ _____ (max. \$400 ^C)	
<input type="checkbox"/> As the installing technician, I have completed manufacturer-sponsored installation training within the past 5 years and followed manufacturer's start-up/commissioning procedures.	
Technician:	Signature: _____ Company: _____

^A The request is authorized by Section 405, Title 42, of the United States Code. It is used to establish your identity for tax purposes only. We cannot process your application without it.
^B From your HVAC installer or www.AHRIDirectory.org.
^C Maximum tax credit may not exceed the lesser of 25% of the customer equipment net cost of \$400 for all ductless systems installed at the address.

FOR OFFICE USE ONLY
File No.:
Date Received:
Tax Credit Amount:
Tax Year:

4. PASS-THROUGH OPTION

I want to keep the full tax credit myself

I want to transfer my tax credit to another Oregon resident (see below)

If you are an Oregon resident, the Pass-through Option will allow you transfer your tax credit to an individual with an Oregon tax liability who will make a lump-sum payment to you equal to 95% of the certified tax credit amount. To use this option, complete this application form first. Your application will be reviewed for eligibility. A *Pass-through Option Application* will be sent to you in return. You and your pass-through partner (the tax credit recipient) will complete and sign the *Pass-through Option Application* and mail it to the Oregon Department of Energy. The Oregon Department of Energy will then issue the tax credit certification to the pass-through partner. **There may be tax implications for the pass-through partner. We advise you to consult with your tax preparer.**

5. DECLARATIONS AND INSTALLATION VERIFICATION

I understand that the Oregon Department of Energy does not make any warranty concerning the performance, operation, installation or any other characteristic or feature of ductless heat pump system(s). Energy Department approval is only for purposes of obtaining the Oregon Residential Energy Tax Credit. I certify that I am the original owner of the system(s). I certify that the system(s) are not installed in a recreational vehicle or motor home. By signing below, I (we) certify that the stove described in this application is installed and that the information contained herein is accurate and true.

The Oregon Department of Energy does not sell information from this application as a mailing list. However, we may be required to disclose the name, address and phone number from your application under the Oregon Public Records law ORS 192.410 et seq. We can withhold your address and phone number following a written request explaining personal safety concerns, such as a temporary restraining order. The Oregon Department of Energy does not endorse any company that requests the information.

6. APPLICANT SIGNATURE

I agree to statements above: Applicant signature: _____ Date _____

If there is a co-applicant **who signs a separate tax return**, co-applicant completes the following:

I agree to statements above: Co-applicant signature: _____ Date _____

Name of Co-applicant: _____ Social security number* _____

Address of Co-applicant: _____

Percent of ownership of Co-applicant _____% (Balance to the applicant)

If more than two persons are purchasing this system and file separate tax returns, give names, addresses, social security numbers, and percentage of ownerships on a separate sheet of paper.

7. MAILING INSTRUCTIONS

Photocopy all documents for your records. Attach a clear copy of proof of purchase to your original application and mail to:

Oregon Department of Energy, 625 Marion St. NE, Salem, OR 97301-3737

* The request for your Social Security Number is authorized by Section 405, Title 42, of the United States Code. You must provide this information. It is used to establish your identity for tax purposes only.

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