

Department of
Taxation and Finance

Name(s) as shown on your return

Your social security number

Enter below the address of your principal residence on which the credit is claimed if it is different from the address shown on your return

Part 1 — Figuring Your Solar and Wind Energy Credit

<p>1 Enter your eligible 1985 solar and wind energy costs:</p> <p>1a Active solar _____</p> <p>1b Passive solar _____</p> <p>2 Enter expenditures made from nontaxable federal, state and local grants</p> <p>3 Subtract line 2 from line 1d</p> <p>4 Enter 55% of line 3</p> <p>5 Enter the amount of any renewable energy source credit figured on your 1985 federal return (<i>attach copy of federal Form 5695</i>)</p> <p>6 Subtract line 5 from line 4</p> <p>7 Maximum New York State credit allowed</p> <p>8 Enter the total solar and wind energy credit figured on Form IT-218 for 1981, 1982, 1983 and 1984</p> <p>9 Subtract line 8 from line 7</p> <p>10 Enter the amount on line 6 or line 9, whichever is less</p> <p>11 Enter any solar and wind energy credit carryover from 1984</p> <p>12 Solar and wind energy credit (<i>add lines 10 and 11; also enter on line 6 of Form IT-201-ATT or on line 5 of Form IT-203-ATT</i>)</p>	<p>1c Wind _____</p> <p>1d Total costs (<i>add lines 1a, 1b, and 1c</i>)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%; text-align: center;">1d</td> <td style="width: 85%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> <tr> <td style="text-align: center;">2</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">3</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">4</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">5</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">6</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">7</td> <td style="text-align: right;">2750</td> <td></td> <td style="text-align: right;">00</td> </tr> <tr> <td style="text-align: center;">8</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">9</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">10</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">11</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">12</td> <td></td> <td></td> <td></td> </tr> </table>	1d				2				3				4				5				6				7	2750		00	8				9				10				11				12			
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Part 2 — Figuring Your Carryover to 1986

<p>13 Enter the amount from Part 1, line 12</p> <p>14 Enter the amount included on line 13 that was claimed as a credit on your 1985 NY State return</p> <p>15 Carryover to 1986 (<i>subtract line 14 from line 13</i>)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%; text-align: center;">13</td> <td style="width: 85%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> <tr> <td style="text-align: center;">14</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">15</td> <td></td> <td></td> <td></td> </tr> </table>	13				14				15			
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General Instructions

The solar and wind energy credit is based on the cost of purchasing and installing an active solar, passive solar or wind energy system.

Definitions of Energy Systems

Active Solar Energy System

A system which consists of an arrangement or combination of components designed to provide heating, cooling, hot water or electricity through the process of collecting solar radiation, converting it to another form of energy, storing the converted energy, protecting against unnecessary dissipation, then distributing the converted energy for use. Active solar energy systems require **external mechanical power** for operation. Generally, active solar systems consist of components which are not integral parts of the structure to which they provide heating, cooling, hot water or electricity.

Passive Solar Energy System

A system which relies upon the original or reconstructed design and elements of a building to enhance the use of natural forces (such as solar radiation, winds and nighttime coolness) to provide heating, cooling or hot water and which can operate **independently of external power**. A passive system contains components which collect solar radiation through a **glazing area**, convert it to another form of energy (such as heat), store the converted energy, protect against unnecessary dissipation (through the use of insulation, double glazing or other measures) and distribute the converted energy for use through convective, conductive or radiant heat transfer, or through the use of a small fan. Generally, the expenditures that are considered to be made for a passive solar system are the incremental costs above conventional construction.

Wind Energy System

An arrangement or combination of components, including power conditioning equipment, designed to provide electricity or

mechanical energy through the process of converting wind energy into mechanical and/or electric energy and storing or distributing it for use.

General Rules

A credit is allowed for taxable years beginning on or after January 1, 1981 and ending before December 31, 1986 for the purchase and installation of an eligible solar or wind energy system if:

- the expenditures for the system are made on or after January 1, 1981 and before December 31, 1986;
- the system is installed in your principal residence which must be located in New York State;
- you are the first one to use the system; and
- the system can reasonably be expected to remain in operation for at least five years.

For more information regarding expenditures that are eligible for the credit, please get Publication 312, *Solar and Wind Energy Credit*.

Principal Residence

A home qualifies as your principal residence if it is the home in New York State where you and your family live. A summer or vacation home does not qualify.

You may claim the credit whether you are a homeowner, a renter, a tenant-stockholder in a cooperative housing corporation or a member of a condominium association. If you jointly occupy a principal residence with another taxpayer or taxpayers, the amount of credit allowable to each taxpayer is prorated according to the percentage of the total eligible expenditures contributed by each taxpayer.

If you move from one principal residence in New York State to another principal residence in New York State, a separate credit is allowed for each principal residence. You must file separate Forms IT-218 to compute your allowable credit for each principal residence.

If you own your principal residence and sell or dispose of it at a gain, the cost basis of the residence must be reduced by the amount of any energy credit that you are allowed.

Amount of Credit

The credit is limited to 55% of the purchase and installation costs of the energy system, or \$2,750, whichever is less. In general, any renewable energy source costs (except geothermal) that are eligible for the credit on your federal return are also eligible for the credit on your New York State

return. When combined with the federal energy credit allowed for these costs, the combined amount cannot exceed 55% or \$6,750, whichever is less. You should figure your federal credit before you figure your New York State credit. You can claim the maximum credit (\$2,750) only once for each principal residence that you live in.

The credit is not refundable—any amount in excess of the tax due for 1985 can be carried over to future tax years (including years that you are required to file a nonresident New York State return) until it is used up.

Timeliness of Expenditures

To determine whether an expenditure made in connection with your existing principal residence is timely (i.e., is made on or after January 1, 1981 and before December 31, 1986), the expenditure is considered to be made when original installation of the item is completed. If you move into a newly constructed or reconstructed principal residence, expenditures are considered to be made, for the purpose of determining timeliness, when you commence use of the dwelling as your principal residence. For purposes of the credit, a dwelling is considered to be your principal residence beginning 30 days before you live in it. If you move back into a reconstructed dwelling that was your principal residence prior to reconstruction, an expenditure is considered made when the original installation of the property is completed.

Specific Instructions

Lines 1a through 1d — Enter your eligible solar and wind energy costs for 1985. Include expenditures made with nontaxable federal, state and local grants. Do not include the cost of repairs or maintenance for energy items.

Line 2 — Enter any expenditures made with nontaxable federal, state and local grants that are included on line 1.

Line 5 — Enter the amount of residential energy credit computed on your 1985 federal return whether or not claimed in 1985. Do not include any portion of your federal credit which is based upon energy conservation or geothermal energy costs. Attach a copy of your 1985 federal Form 5695, *Residential Energy Credit*.

Line 8 — Enter the total New York State credit that you computed for 1981, 1982, 1983 and 1984, whether or not claimed on your New York State returns for those years.

Line 12 — If the credit on line 12 is more than the tax due on Form IT-201, line 55 you can apply the excess against the other New York State taxes listed on Form IT-201-ATT, *Summary of Other Credits and Taxes*, lines 9c, 10 and 11. If you are filing a nonresident return, Form IT-203, and the credit on line 12 is more than the tax due on line 55 you can apply the excess against the other NY State taxes listed on Form IT-203-ATT, *Summary of Other Credits and Taxes*, lines 8, 9, and 10.

If your credit is greater than the other taxes listed on Form IT-201-ATT or Form IT-203-ATT, you can claim the excess on your 1986 return.

Attach this form to the back of your return.