

2009 Subtraction for Energy Efficient Residences

Arizona Schedule 141AZ EER

General Instructions

For taxable years beginning from and after December 31, 2001, through December 31, 2010, Arizona law allows a subtraction for selling one or more new energy efficient residences located in Arizona.

A trust or estate may claim a subtraction for the initial sale of a new energy efficient residence built by the trust or estate. The trust or estate may also transfer the subtraction to the buyer of the energy efficient residence.

A trust or estate that purchases a new energy efficient residence may claim the subtraction if a qualifying seller transfers the subtraction to the purchaser (trust or estate).

An energy efficient residence is a new single-family residence, condominium, or town house that exceeds the 1995 model energy code by 50 per cent or more as determined by an approved rating program. Rating programs must meet the U.S. Department of Energy's home energy rating system guidelines or other guidelines approved by the Arizona Department of Commerce Energy Office.

A qualifying seller (trust or estate) must maintain detailed records listing the residences built and sold by the trust or estate, and the residences for which the subtraction was transferred to the purchaser. The records must prove that the residence qualifies as an energy efficient residence and must substantiate the amount of the allowable subtraction for each residence that was claimed or transferred. The trust or estate must make these records available to the department on request.

For more information, see Arizona Department of Revenue Income Tax Procedure ITP 02-1.

Specific Instructions

Type or print the required information in the name box on the top of page 1. Indicate the period covered by the taxable year on page 1 of the return (in an MM/DD/YYYY format).

Enter the estate's or the trust's employer identification number.

All returns, statements, and other documents filed with the department require a taxpayer identification number (TIN). Taxpayers that fail to include their TIN may be subject to a penalty.

Part I - Number of New Energy Efficient Residences Sold or Transferred

Line 1 - Enter the total number of new energy efficient residences sold by the trust or estate during the taxable year.

Line 2 - Enter the total number of new energy efficient residences sold by the trust or estate during the taxable year for which the trust or estate transferred the subtraction to the buyer.

If the trust or estate transfers the subtraction to the buyer, the trust or estate must give the buyer a written statement that the trust or estate has elected not to claim the subtraction and that the purchaser may claim the subtraction subject to the statutory conditions and limitations. The statement must also show the amount of allowable subtraction.

Line 4 - Enter the number of new energy efficient residences for which the subtraction was transferred to the trust or estate (as the buyer).

Part II - Amount of Subtraction for Sale or Transfer of New Energy Efficient Residences

Line 6 - Enter the total amount of the subtraction allowable for all new energy efficient residences sold by the trust or estate during the taxable year.

The subtraction is equal to 5 per cent of the sales price excluding commissions, taxes, interest, points and other brokerage, finance and escrow charges. The subtraction cannot exceed \$5,000 for each new qualifying residence.

Line 7 - Enter the total amount of the subtraction allowable for all new energy efficient residences transferred to the buyers during the taxable year.

Line 9 - Enter the total amount of the subtraction for all new residences transferred to the trust or estate (as the buyer) during the taxable year.

Filing Instructions for Schedule 141AZ EER and Written Statements Received from Seller

Do not attach this schedule or the copies of the written statements received from the seller to the Form 141AZ. Do not mail the schedule and written statements with the Form 141AZ. Mail the completed Schedule 141AZ EER and copies of the written statements received from the seller (if the trust or estate claims the subtraction as a transferee) to the following address:

Arizona Department of Revenue
Office of Economic Research and Analysis
PO Box 25248
Phoenix, AZ 85002