



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

## Geothermal Systems

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### Oregon Department of Energy

The Oregon Residential Energy Tax Credit program provides for closed-loop geothermal space or water heating systems. The tax credit amount is available on the Department of Energy yield table. It is based on 60 cents per kilowatt hour (kWh) saved during the first year of operation, up to a maximum of \$900.

Earth-coupled heat pumps and systems that use a secondary heat exchanger submersed in a well, lake, pond or stream qualify. Systems that pumpwater directly out of a well, lake, pond or stream are not eligible.

The Oregon Department of Energy has a list of tax-credit certified geothermal contractors for your convenience. You do not have to use a tax-credit certified contractor, but they can assist you with the necessary paperwork to qualify for the tax credit.

To qualify for a tax credit, you must have an Oregon income tax liability. 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 Oregon resident who does. The Pass-through Option will allow you transfer your tax credit to an individual or business with an Oregon tax liability who will make a lump-sum payment to you equal to 95 percent of the certified tax credit amount. To use this option, complete this application form first and check off the Pass-through Option section of the application. 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 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.

Don't wait to apply for the tax credit. It usually takes at least four to six weeks to get the certification you need to claim the credit on your tax return. Applications must be received at the Oregon Department of Energy **no later than April 1** of the year following the purchase, even if the tax credit is carried forward.

**Take the following steps to receive your tax credit:**

1. Verify that your geothermal space or water heating system is installed in a closed-loop configuration. Only geothermal systems that use a subsurface coil of tubing or heat exchanger and do not remove water for the ground, lake, pond or stream are eligible.
2. Complete the Application and Verification Form for Tax Credit Certification – Geothermal Systems. The form may be filled out on your computer. Please print it, sign it and mail it with your receipt to the Oregon Department of Energy. The forms can not be filed on line.
3. Provide an accurate description of the equipment or system on your application. Your contractor will provide the necessary details. Include a clear, itemized copy of proof of payment. (You may use a bid or proposal sheet that is marked paid-in-full by your contractor.) Be sure your contractor also signs the application form.

**OVER**

4. Submit the application to the Oregon Department of Energy. If the paperwork you submit demonstrates that your system qualifies for the tax credit, the Oregon Department of Energy will approve your application and send you a certification with the qualifying tax credit amount.
5. Claim the tax credit on your state income tax. Keep your certification, a copy of your application and proof of payment for your records. Do not attach them to your tax return. Upon audit or examination, the Oregon Department of Revenue may ask you to provide the information to verify your credit claimed. Tax credits, or portions of the tax credit, not taken in the first tax year may be carried forward up to five years.

Your contractor can assist you with the paperwork. If you have questions, please call the Oregon Department of Energy toll-free at 1-800-221-8035 (in Salem, call (503) 378-4040) or consult the Department of Energy Web site at [www.oregon.gov/energy](http://www.oregon.gov/energy)

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.

**Tips for buying, installing, and operating geothermal space or water heating system:**

- Ask how much experience the contractor has installing geothermal heating systems. Ask for references and check them.
- If you are purchasing a system from a contractor certified by the Oregon Department of Energy, ask to see his /her certification and the list of systems he/she is certified to install.
- Check that the contractor has been trained by the system manufacturer and is following installation standards recommended by the system manufacturer.
- Be sure you understand how to operate and maintain your system. Your contractor should provide you with an owner's manual with operation and maintenance instructions. In the rare event that your closed-loop system fails, know what steps to take to shut off or bypass your system. Make sure your contractor fully explains all warranties provided by the manufacturer and contractor.
- Install night set-back thermostats to reduce the heating temperature to 60 degrees F. and increase cooling temperature to 80° F. during unoccupied or sleeping hours.
- Gaps, cracks or small holes in ductwork account for as much as 25 percent of home heat loss. You can get an additional tax credit for sealing existing ductwork or installing a well-designed and sealed duct system. To qualify for a duct tax credit, work must be performed by an Oregon Department of Energy tax-credit certified duct contractor.





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## 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

Name:		Social Security No.*:	
Mailing address:		Daytime phone:	
City:	Oregon County:	State:	Zip:
Street address (if different)			
City:	Oregon County:	State:	Zip:
If different than mailing address, please explain:			
Name of electric utility company		Name of natural gas utility company:	
Major type of fuel used: <input type="checkbox"/> Electricity <input type="checkbox"/> Natural gas <input type="checkbox"/> Other (specify):			
Cost of system: \$		Installation date:	
System type: <input type="checkbox"/> Geothermal direct use <input type="checkbox"/> Geothermal heat pump for space heating <input type="checkbox"/> Geothermal heat pump for space and water heating <input type="checkbox"/> Geothermal water heating only			

### 2. SYSTEM USE

Will your system heat the	<input type="checkbox"/> Home's hot water	<input type="checkbox"/> Pool or spa	<input type="checkbox"/> Home's interior
Will the system be used for summer cooling? <input type="checkbox"/> Yes <input type="checkbox"/> No			
If yes, describe special provisions:			

### 3. SYSTEM CONFIGURATION

Check the box that best describes your system:	
<input type="checkbox"/> Closed-loop heat pump; earth-coupled	
<input type="checkbox"/> Hot water well (in-the-well heat exchanger)	
<input type="checkbox"/> Closed-loop heat pump, submerged exchange; pond or stream	
Note: Only closed-loop applications are eligible for the Oregon Residential Energy Tax Credit	
Description of ground loop (if applicable):	
Length of the loop:	feet    Length of the trench:    feet
Describe material and spacing (slinky, multiple pipe, header configuration-series/parallel):	
Heat pump description (if applicable):	
Manufacturer:	Model No.:
Rating:	tons    Estimated system coefficient of performance (COP) at inlet of 50° F:
Design heat loss:	

**OVER**

\* 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.

FOR OFFICE USE ONLY
File No.:
Date received:
Tax credit amount:
Tax year:

## 4. TAX CREDIT

Tax credit amount from yield table (maximum tax credit amount is \$900): \$

## 5. PASS-THROUGH OPTION

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

**No - I want to keep the full tax credit myself**

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 Department of Energy will then issue the tax credit certification to the pass-through partner. **Important: There may be tax implications for the pass-through partner. We advise you to consult with your tax preparer.**

## 6. 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 this appliance. The Department of Energy approval is only for purposes of obtaining the Oregon Residential Energy Tax Credit. By signing below, I (we) certify that the system(s) described in this application is (are) installed and that the information contained herein is accurate and true.*

Initial each item below:

\_\_\_\_\_ I have received an owner's manual for my system.

\_\_\_\_\_ I have attached manufacturer's specification sheets documenting performance of the installed system.

\_\_\_\_\_ The contractor has explained to me basic operation and proper maintenance of the system and has explained all warranties.

\_\_\_\_\_ I have attached a clear, itemized copy of my proof of purchase. (You may use a bid or proposal sheet that your contractor has marked paid-in-full.)

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 the 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.

## 7. APPLICATION SIGNATURES

**You must sign below.**

Signature of Purchaser: \_\_\_\_\_ Date \_\_\_\_\_

Signature of Joint Purchaser: \_\_\_\_\_ Date \_\_\_\_\_

If two or more persons are purchasing this system and file separate tax returns, give names, addresses and percentage of ownerships.

Name: \_\_\_\_\_ Address: \_\_\_\_\_ % ownership: \_\_\_\_\_

Name: \_\_\_\_\_ Address: \_\_\_\_\_ % ownership: \_\_\_\_\_

Name: \_\_\_\_\_ Address: \_\_\_\_\_ % ownership: \_\_\_\_\_

## 8. CONTRACTOR'S SIGNATURE

*I declare that this system meets all the requirements of ORS 469.160 through 469.180. I have supplied the required consumer information and the estimated annual savings for this system to the person claiming this credit. All necessary permits have been obtained prior to system installation. To the best of my knowledge, the system meets all local building codes and requirement of the Oregon Department of Energy. The Oregon Department of Energy may require changes in the system to make it conform with ORS. 469.160 through 469.180 and OAR 330-70-010 through 330-70-097. The installer/contractor agrees to make changes required by the Oregon Department of Energy. By signing below I certify that the system described in this application is installed and that the information contained herein is accurate and true.*

Installer/contractor (please print): \_\_\_\_\_

Contractor's signature: \_\_\_\_\_

Construction contractor's board no. \_\_\_\_\_ Date: \_\_\_\_\_

## 9. MAILING INSTRUCTIONS

Photocopy all documents for your records. **Attach a clear, itemized copy of proof of purchase** to your original application and mail to: Oregon Department of Energy, 625 Marion St. NE, Salem, OR 97301-3737.

Note: The Oregon Department of Energy certifies the energy efficiency of appliances 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.

