



2007 Alternative Energy System Credit
15-32-201, MCA

MONTANA
ENRG-B
Rev. 12-07

Your first name and initial	Last name	Your social security number
Spouse's first name and initial	Last name	Social security number

Complete lines 1 through 4 if you are claiming an alternative energy system credit or carryforward.

1. Enter here the physical address of your home where the alternative energy system is installed..... 1	
2. Enter here the date the installation of your alternative energy system was completed 2	
3. Enter here the brand name and model number of the alternative energy system that you installed..... 3	
4. Enter here the type of alternative energy system that you installed. For example: solar system, wind system, solid waste system, wood-burning stove, etc..... 4	

RECOGNIZED NONFOSSIL FORM OF ENERGY GENERATION: Complete lines 5 through 10 if you installed an alternative energy system in tax year 2007 that uses a recognized nonfossil form of energy generation. See the general instructions for the definition of a recognized nonfossil form of energy generation.

5. Enter the cost of the alternative energy system installed, including your installation cost. 5.					
6. Enter the amount of any grants that you received for the installation of your alternative energy system. 6.					
7. Subtract line 6 from line 5 and enter the result here..... 7.					
8. If the cost of the alternative energy system was paid only by you, enter the smaller of the amount on line 7 or \$500. This is your Alternative Energy System credit. Enter here and on Form 2, Schedule V, line 16 or Form 2M, Schedule II, line 6..... 8.					
9. If the cost of the alternative energy system was paid by both you and your spouse and your filing status is married filing jointly, enter here the smaller of the amount on line 7 or \$1,000. This is your Alternative Energy System credit. Enter here and on Form 2, Schedule V, line 16 or Form 2M, Schedule II, line 6. 9.					
10. If the cost of the alternative energy system was paid by both you and your spouse and your filing status is married filing separately, enter here the smaller of the amount on line 7 or \$500 for each spouse. Enter in columns A and B the amount allocated to each spouse. Neither spouse may claim more than \$500. The total of both spouses' credit on line 10 cannot exceed the amount on line 7. This is you and your spouse's Alternative Energy System credit. Enter here and on Form 2, Schedule V, line 16 or Form 2M, Schedule II, line 6. 10.	<table border="1"> <tr> <td>Column A</td> <td>Column B</td> </tr> <tr> <td></td> <td></td> </tr> </table>	Column A	Column B		
Column A	Column B				

LOW EMISSION WOOD OR BIOMASS COMBUSTION DEVICE: Complete lines 11 through 14 if you installed an alternative energy system in tax year 2007 using a low emission wood or biomass combustion device. See the general instructions for the definition of a low emission wood or biomass combustion device.

11. Enter the cost of the alternative energy system installed, including your installation cost 11.	
12. If the cost of the alternative energy system was paid only by you, enter the smaller of the amount on line 11 or \$500. This is your Alternative Energy System credit. Enter here and on Form 2, Schedule V, line 16 or Form 2M, Schedule II, line 6..... 12.	
13. If the cost of the alternative energy system was paid by both you and your spouse and your filing status is married filing jointly, enter here the smaller of the amount on line 11 or \$1,000. This is your Alternative Energy System credit. Enter here and on Form 2, Schedule V, line 16 or Form 2M, Schedule II, line 6. 13.	

14. If the cost of the alternative energy system was paid by both you and your spouse and your filing status is married filing separately, enter here the smaller of the amount on line 11 or \$500 for each spouse. Enter in columns A and B the amount allocated to each spouse. Neither spouse may claim more than \$500. The total of both spouses' credit on line 10 cannot exceed the amount on line 11. **This is you and your spouse's Alternative Energy System credit.** Enter here and on Form 2, Schedule V, line 16 or Form 2M, Schedule II, line 6. 14.

Column A	Column B

Complete lines 15 through 17 only if you are carrying forward your unused alternative energy system credit from a prior year. Your credit may be carried forward up to four years.

15. Enter the amount of alternative energy system originally allowed..... 15.
 16. Enter the amount of your alternative energy system credit that you claimed in previous years. 16.
 17. Subtract line 16 from line 15 and enter the result here and on Form 2, Schedule V, line 16 or Form 2M, Schedule II, line 6..... 17.

General Instructions

What is a recognized nonfossil form of energy generation?

A recognized nonfossil form of energy generation means:

- a system that captures energy or converts energy sources into usable sources, including electricity, by using:
 - solar energy, including passive solar systems
 - wind
 - solid waste
 - the decomposition of organic waste
 - geothermal
 - fuel cells that do not require hydrocarbon fuel; or
- a system that produces electric power from biomass or solid wood wastes, or
- a small system that uses water power by means of an impoundment that is not over 20 acres in surface area.

What is a low-emission wood or biomass combustion device?

A low-emission wood or biomass combustion device means a wood-burning appliance that:

- is certified by the U.S. environmental protection agency pursuant to 40 CFR 60.53, or
- uses wood pellets as its primary source of fuel.

Who qualifies for the alternative energy system credit?

The alternative energy systems credit is available only to a Montana resident individual who installs a recognized nonfossil form of energy generation such as a wind generating system or installs a low-emission wood or biomass combustion device such as a wood or pellet burning stove in his or her principal dwelling or home. This credit is not available to a nonresident individual.

I have installed a wood burning stove, which is one type of an alternative energy system, in my principal home this year but I am unable to claim the full amount of my alternative energy system credit because my

income tax liability is less than \$500. Can I carry my unused credit forward?

Yes. This credit is considered a nonrefundable carryover credit in which you can carry forward any unused portion of your alternative energy system credit for four succeeding tax years.

Complete lines 15, 16 and 17 to determine the amount of alternative energy system credit that can be carried forward when you have installed a system using low emission wood or a biomass combustion device. Your total credit reported in the year of installation and in subsequent years cannot exceed the maximum credit of \$500 per taxpayer for each installation.

My spouse and I both own our primary home. Can we both qualify for the alternative energy system credit?

If you both paid for the installation of any one alternative energy system and the total cost was \$1,000 or more, you can each claim up to \$500. If the cost of the system was less than \$1,000, you may allocate the credit between you and your spouse but neither spouse can claim more than \$500.

I made repairs to my alternative energy system this year. Am I entitled to claim this credit for the cost of my repairs?

No. Repairs to your existing alternative energy system are not installation costs that entitle you to an additional alternative energy system credit.

For example: In 2007, you replaced damaged solar panels that were installed in your principal home in 2006 and at which time you claimed an alternative energy system credit of \$500. You are not entitled to an additional \$500 credit for the repairs and replacement of parts to your existing solar system.

Questions? Please call us at (406) 444-6900 or TDD (406) 444-2830 for the hearing impaired.