



## Premium Efficiency Furnaces

### Oregon Department of Energy

The Oregon Residential Energy Tax Credit Program provides a personal income tax credit for approved premium efficiency furnaces installed in Oregon homes. The tax credit is valued at up to \$492 or 50 percent of the cost of the device, whichever is lower.

**Eligibility:** Complete RETC requirements may be found in ORS 469B.100-469B.118, ORS 316.116, and OAR 330-070.

To qualify for the Oregon Residential Energy Tax Credit, your furnace must:

- Be new and located in or at an Oregon dwelling that is your primary or secondary (vacation) residence, or property for which you are the landlord (tenants who install eligible devices may also apply).
- Have an Annual Fuel Utilization Efficiency (AFUE) of 95 percent or higher.
- Be installed with direct ducted outdoor air for combustion.
- Be rated an Advanced Main Air Circulating Fan, marked "e" by the Air-Conditioning, Heating, and Refrigeration Institute. To see if your model qualifies, search for your furnace in the [Air-Conditioning, Heating, and Refrigeration Institute](#) (AHRI) Directory. Enter information such as model and manufacturer to produce a list of matches. Find your model to make sure it has a value of 95.0 percent or higher listed under the *AFUE* column, and is marked "AFUE & AMACF" under the *Eligible for Federal Tax Credit* column. Double-click on the row to open and print a copy of the "AHRI Certificate of Product Rating."

This tax credit is in addition to, but may be limited by, other tax credits and utility or efficiency program rebates or incentives. The tax credit issued applies to the tax year the equipment was purchased, as long as it operational by April 1 of the following year. Otherwise, the tax credit is provided for the year in which the device is operational. The RETC program is scheduled to sunset on December 31, 2017. To meet the program's sunset, RETC-eligible devices must be purchased by December 31, 2017 and operational by April 1, 2018. ODOE must receive applications no later than June 1, 2018.

ODOE verifies the energy efficiency of devices for the RETC program. It is the applicant's responsibility to ensure compliance with all other eligibility requirements outlined in administrative rules and statute.

#### Apply for Your Tax Credit:

- A. System Installation & Verification:** Install the premium efficiency furnace as required for RETC program eligibility.
- B. Submit a Completed Application and Verification Form for Premium Efficiency Furnaces.** Include a copy of your final sales agreement or itemized receipt or invoice, showing the full model number of the equipment, the AHRI number, the cost of the equipment, and total job cost. Include a copy of the printed "AHRI Certificate of Product Rating" (see *Eligibility* above).

Submit your application promptly, as processing time can vary depending on device type. If your system is approved, you will receive a Tax Credit Certification postcard with your tax credit amount in the mail,

which you will need when you file your Oregon Income Tax Return. 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.

**Your Social Security Number is required to process your tax credit application and may be shared with the Oregon Department of Revenue. It is used to establish your identity for tax purposes only and is authorized by 42 U.S.C. § 405(c)(2)(C)(i) and OAR 330-070-0025(2). ODOE cannot process your application without it.**

- C. **Claim the tax credit on your state income tax form.** The credit must be claimed in the tax year in which the device was purchased if the system is operational by April 1 of the following year. Otherwise, the tax credit is claimed the year the device is operational. Proof of purchase must be a contract or invoice dated in the year for which the applicant is claiming the credit. The operational date for the devices is the date when final inspection is completed by a local jurisdiction and is fully operational.
- D. **Keep your Certification postcard, 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. Tax credits not taken in the first year may be carried forward up to five years; for more information, consult your tax preparer or call the Oregon Department of Revenue.

**Pass-through Option:** The Residential Energy Tax Credit pass-through option allows an eligible applicant that purchases a qualifying device to transfer their Residential Energy Tax Credit to another individual, estate, or trust (pass-through partner) subject to Oregon personal income tax under ORS 316. 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. ODOE 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; consult with your tax preparer or call the Oregon Department of Revenue.**

**Contact:**

If you have questions about claiming the 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 or the application process, please visit ODOE's website at [www.oregon.gov/energy](http://www.oregon.gov/energy) or call us toll-free: 1 (800) 221-8035.



# Application and Verification Form for Residential Energy Tax Credit Certification Premium Efficiency Furnaces

## Oregon Department of Energy

550 Capitol St. NE, 1<sup>st</sup> Floor  
Salem, OR 97301  
Toll-free: 1-800-221-8035  
Salem: (503) 378-4040 Fax: (503) 373-7806  
www.oregon.gov/energy



**All application fields required.  
Incomplete applications will not be  
processed & will be returned to applicant.**

1. Customer Information				
Name:		Social Security No. <sup>A</sup> :		
Email Address:				
Mailing Address:			Daytime Phone:	
City:	County:	State:	Zip:	
Site Address (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 the Landlord				
Purchase Date:		Operational Date:		
2. Utility and House Information				
Electric utility company:		Natural gas utility company (if any):		
Fuel used by this furnace: <input type="checkbox"/> Natural gas <input type="checkbox"/> Propane				
Does this installation use outside combustion air? <input type="checkbox"/> Yes <input type="checkbox"/> No				
Did you have a high efficiency heat pump installed at the same time? <input type="checkbox"/> Yes <input type="checkbox"/> No				
3. Tax Credit Checklist			*To be completed by installing technician	
<input type="checkbox"/> Install in accordance with manufacturer specifications and applicable code. <b>Contractor initials:</b> _____ <input type="checkbox"/> Identify whether ductwork is in conditioned, inaccessible space or unconditioned space: <input type="checkbox"/> Conditioned Space _____% <input type="checkbox"/> Inaccessible Space _____% <input type="checkbox"/> Unconditioned Space _____% <input type="checkbox"/> Inform applicant that ducts in unconditioned spaces, if not previously sealed and repaired by a licensed contractor, are likely to be leaking. Recommend the applicant consider having their ducts professionally inspected. Provide the applicant State of Oregon duct sealing information.				
4. Equipment Information		*Installing Technician must provide <u>ALL</u> of the information in this section		
Provide the following information for your tax credit-eligible furnace; <b>attach itemized receipts for your purchase.</b>				
Manufacturer	Model Number	Configuration (up, down or horizontal)	*AHRI # <sup>B</sup>	Date of Installation
<i>EXAMPLE</i>	<i>GMVM971205DN</i>	<i>Upflow</i>	<i>7424268</i>	<i>1-2-2014</i>
HVAC Company Name:		Phone:		
Total job cost (including device, materials, labor): \$				

<sup>A</sup> Your Social Security Number is required to process your tax credit application and may be shared with the Oregon Department of Revenue. It is used to establish your identity for tax purposes only as authorized by 42 U.S.C. § 405 and OAR 330-070-0025(2).

<sup>B</sup> At the time of installation. From your installer or [www.AHRIDirectory.org](http://www.AHRIDirectory.org) (required).

**FOR OFFICE USE ONLY**

File No.:

## 5. Tax Credit Calculation

### Tax Credit Calculation:

- |   |                 |
|---|-----------------|
| 1. Total cost (device, materials and labor for installation)  | \$ _____        |
| 2. Cost of RETC eligible device and materials (not labor for installation)                              | \$ _____        |
| 3. 50% of the cost of the device (Line 2 * 0.5)   | \$ _____        |
| 4. Tax Credit from RETC Rate Chart ( <a href="http://www.oregon.gov/energy">www.oregon.gov/energy</a> ) | \$ _____        |
| <b>5. Tax Credit Amount (whichever is less Line 3, Line 4 or \$1,500)</b>                               | <b>\$ _____</b> |
| 6. Other Incentives* (utility rebates and other credits)  | \$ _____        |

\*If the sum of any rebates, cash payments, grants or tax credits and the RETC (Line 5 + Line 6) exceed the cost of the device (Line 1) and labor for installation, ODOE will reduce the RETC amount calculated in Line 5.

## 6. Pass-Through Option (Homeowner Completes)

- I want to keep the full tax credit myself  
 I want to transfer my tax credit to a person subject to Oregon personal income tax.

If your tax credit is \$1,500 or less:

- Your pass-through partner will pay you 95% of the certified tax credit amount
- Your pass-through partner will receive 100% of the tax credit to be taken in one year

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 pass-through option is a one-time transfer and is final. The Department of Energy will then issue the tax credit certification to the pass-through partner.

**Important: There may be tax implications; consult with your tax preparer or call the Oregon Department of Revenue.**

## 7. 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 the system. ODOE 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) is not installed on a recreational vehicle or motor home. By signing below, I (we) certify that the system described in this application is installed, that I received an operating manual for the system, and 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 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..

## 8. Signatures

Signature of Applicant: \_\_\_\_\_ Date \_\_\_\_\_

Signature of Joint Applicant: \_\_\_\_\_ Date \_\_\_\_\_

**Co Applicant:** (Not for Pass-through Option)

Only if two or more persons are purchasing this system **and** filing separate tax returns, give information below.

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

Social Security Number<sup>A</sup>: \_\_\_\_\_ Applicant Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## 8. Mailing Instructions

**Before mailing, be sure your application is complete:**

- Application form with your Social Security Number and signature.
- Attach a clear copy of your final sales agreement and itemized receipt.

**Photocopy all documents for your records and mail the originals to:**

**Oregon Department of Energy  
550 Capitol St. NE, 1<sup>st</sup> Floor  
Salem, OR 97301**

Call toll-free: 1-800-221-8035 Salem: (503) 378-4040 Fax (503) 373-7806

Email: [askRETC@oregon.gov](mailto:askRETC@oregon.gov) Website: [www.oregon.gov/energy](http://www.oregon.gov/energy)