

NC-478EX

Application for Delayed Sunset of the Tax Credit for Renewable Energy Property

To be eligible for the delayed sunset of the tax credit for investing in renewable energy property, you must file this application with the Secretary of Revenue and pay the application fee on or before October 1, 2015. For additional requirements, see Page 2.

<p>Taxpayer's Name</p> <input style="width: 95%; height: 25px;" type="text"/>	<p>SSN or FEIN</p> <table border="1" style="margin: auto; border-collapse: collapse;"> <tr> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> </tr> </table>												
<p>Mailing Address</p> <input style="width: 95%; height: 25px;" type="text"/>													
<p>City <input style="width: 35%; height: 25px;" type="text"/> State <input style="width: 10%; height: 25px;" type="text"/> Zip Code (First 5 digits) <input style="width: 20%; height: 25px;" type="text"/></p>	<p>► Location where renewable energy project will be placed in service <i>(include address and county)</i></p>												
<p>Renewable Energy Project Name</p> <input style="width: 95%; height: 25px;" type="text"/>													
<p>Contact Person <input style="width: 35%; height: 25px;" type="text"/> Phone Number for Contact Person <input style="width: 20%; height: 25px;" type="text"/></p>													

Part 1. Application for Delayed Sunset of Credit for Investing in Renewable Energy Property	
<p>1. Estimated total cost of renewable energy project to be constructed, purchased, or leased and placed in service in N.C. in 2016. <i>(See "Cost" on Page 2)</i></p>	<p>► 1. <input style="width: 80%; height: 25px;" type="text"/> .00</p>
<p>2. Multiply Line 1 by 35.0%</p>	<p>► 2. <input style="width: 80%; height: 25px;" type="text"/> .00</p>
<p>3. Maximum credit for the project <i>(Enter applicable maximum. See "Ceilings" on Page 2.)</i></p>	<p>► 3. <input style="width: 80%; height: 25px;" type="text"/> .00</p>
<p>4. Total anticipated credit to be claimed for the project <i>(Enter the lesser of Line 2 or Line 3)</i></p>	<p>► 4. <input style="width: 80%; height: 25px;" type="text"/> .00</p>
<p>5. Total size of the project proposed or under construction <i>(in megawatt capacity)</i></p>	<p>► 5. <input style="width: 80%; height: 25px;" type="text"/></p>
<p>6. Application Fee <i>(Multiply Line 5 by \$1,000, minimum fee \$5,000)</i></p>	<p>6. \$ <input style="width: 80%; height: 25px;" type="text"/> .00</p>

Part 2. Certification	
<p>I certify that the taxpayer filing Form NC-478EX meets the requirements for applying for the delayed sunset of the tax credit for investing in renewable energy property and that the information given is, to the best of my knowledge, accurate and complete.</p>	
<p>_____ Signature of Taxpayer or Authorized Agent</p>	<p>_____ Date</p>

Mail application and fee on or before October 1, 2015 to:
NC Department of Revenue, Income Tax Division - Corporate Taxes Section,
Post Office Box 871, Raleigh, NC 27602-0871

**The information below does not cover all provisions of the law.
See Article 3B of the North Carolina General Statutes for additional information.**

General Information

In general, the tax credit for investing in renewable energy property set forth in General Statute 105-129.16A is repealed effective for renewable energy property placed in service on or after January 1, 2016. However, North Carolina law provides for a delayed sunset of the tax credit for renewable energy projects substantially completed by January 1, 2016. **For taxpayers eligible for the delayed sunset, the tax credit is repealed effective for renewable energy property placed in service on or after January 1, 2017.**

Eligibility

To be eligible for the delayed sunset, a taxpayer must file this form and pay the application fee by October 1, 2015, and meet both of the following conditions on or before January 1, 2016:

- Incur at least the minimum percentage of the cost of the project
- Complete at least the minimum percentage of the physical construction of the project

For a project with a total size of less than 65 megawatts of direct current capacity, the minimum percentage of incurred costs and partial construction is at least eighty percent (80%). For a project with a total size of 65 megawatts or more of direct current capacity, the minimum percentage of incurred costs and partial construction is at least fifty percent (50%).

Application

A taxpayer must file this application with the Secretary of Revenue and pay the application fee on or before October 1, 2015. **An application will not be accepted if it is filed or the fee is paid after October 1, 2015.** Taxpayers will receive notification of the timely receipt of the application and the application fee. **The application fee is not refundable.**

Additional Required Documentation

To verify that the taxpayer met the minimum percentage of incurred costs and partial construction required to be eligible for the delayed sunset, the taxpayer must provide the following additional documentation to the Secretary of Revenue on or before March 1, 2016:

- A written certification signed by the taxpayer that, prior to January 1, 2016, at least the minimum percentage of the physical construction of the project was completed and at least the minimum percentage of the total cost of the project was incurred. *(See Form NC-478EX-1, available from the Department's website.)*
- A notarized copy of a written report prepared by an independent engineer duly licensed in the State of North Carolina with expertise in the design and construction of installations of renewable energy property stating that at least the minimum percentage of the project was constructed and installed prior to January 1, 2016. *(See Form NC-478EX-2, available from the Department's website.)*
- A notarized copy of a written report prepared by a certified public accountant duly licensed in the State of North Carolina with expertise in accounting for and taxation of renewable energy property and that was prepared in accordance with AT Section 201 of the American Institute of Certified Public Accountants Standards for Agreed-Upon Procedures Engagements stating that the minimum percentage of the total cost of the project was paid or incurred as determined under Section 461 and other relevant sections of the Internal Revenue Code prior to January 1, 2016. *(See Form NC478EX-3, available from the Department's website.)*

Cost

For the purpose of computing the renewable energy tax credit, cost is determined pursuant to regulations adopted under section 1012 of the Code, subject to the limitation on cost provided in section 179 of the Code, if the renewable energy property is owned by the taxpayer. In the case of property the taxpayer leases from another, cost is valued at eight times the net annual rental rate pursuant to G.S. 105-130.4(j)(2), unless the property is renewable energy property for which the taxpayer claims either a federal energy credit under section 48 of the Code or a federal grant in lieu of that credit and makes a lease pass-through election under the Code. In this circumstance, the cost of the leased renewable energy property is the cost determined under the Code.

Important. No credit is allowed to the extent the cost of the renewable energy property was provided by public funds. Public funds include federal, State, and local government funds, but does not include grants made under section 1603 of the American Recovery and Reinvestment Tax Act of 2009.

Ceilings

The credit for investing in renewable energy property may not exceed the applicable ceilings set forth in General Statute 105-129.16A(c).

In the case of renewable energy property that serves a business purpose, the following ceilings apply:

- \$5,000,000 for each installation of renewable energy property placed in service at an eco-industrial park certified under General Statute 143B-437.08
- \$2,500,000 for each installation of renewable energy property placed in service at any other location in this State

In the case of renewable energy property that serves a nonbusiness purpose, the following ceilings apply:

- \$1,400 per dwelling for solar energy equipment for domestic water heating
- \$3,500 per dwelling for solar energy equipment for active or passive space heating or for combined active space heating and domestic hot water systems.
- \$8,400 for each installation of geothermal equipment
- \$10,500 for each installation of any other renewable energy property