

State of New Mexico - Taxation and Revenue Department
**NEW SUSTAINABLE BUILDING TAX CREDIT
CLAIM FORM**

ABOUT THIS CREDIT

The purpose of the new sustainable building tax credit is to encourage the construction of sustainable buildings and the renovation of existing buildings into sustainable buildings. For tax years beginning on or after January 1, 2017, and ending on or before December 31, 2026, the new sustainable building tax credit is available for the construction in New Mexico of a sustainable building, the renovation of an existing building in New Mexico into a sustainable building, or for the permanent installation of manufactured housing in New Mexico, regardless of where the housing is manufactured, that is a sustainable building. See RPD-41382, *New Sustainable Building Tax Credit*, instructions for more information on qualifying for this tax credit.

The new sustainable building tax credit is available to the building owner of residential and commercial buildings, after the construction, installation, or renovation of the sustainable building is complete.

To be eligible, the building owner must obtain a certificate of eligibility issued by the Energy, Minerals and Natural Resources Department (EMNRD), and then obtain approval from the New Mexico Taxation and Revenue Department (TRD). To claim the credit, the taxpayer must submit TRD approval with the taxpayer's income tax return.

See the instructions for Form RPD-41382, *New Sustainable Building Tax Credit Approval*, for more details.

Tax Credit Forms

Before you can claim a credit, the TRD must give you approval to receive the credit. The following list shows all the forms for new sustainable building tax credits:

- RPD-41382, *New Sustainable Building Tax Credit Approval*
- RPD-41383, *New Sustainable Building Tax Credit Claim Form*
- RPD-41384, *Notice of Transfer of New Sustainable Building Tax Credit*

Using the Correct Tax Credit Forms

For tax years ending on or before December 31, 2016, the sustainable building tax credit is available for the construction in New Mexico of a sustainable building, the renovation of an existing building in New Mexico into a sustainable building, or for the permanent installation of manufactured housing in New Mexico, regardless of where the housing is manufactured, that is a sustainable building. See Form RPD-41327, *Sustainable Building*

Tax Credit Approval, for details, and Form RPD-41329, for claiming the credit.

Sale, Exchange, or Transfer of the Tax Credit

When a holder or owner receives TRD approval, the credit may be sold, exchanged, or otherwise transferred. Form RPD-41384, *Notice of Transfer of New Sustainable Building Tax Credit*, must be used to report to TRD a transfer of approved new sustainable building tax credit. Notice must be provided to TRD within 10 days of a sale, exchange, or other transfer. TRD issues the new holder an approval for the credit transfer, a new credit number, and instructions for applying the credit to personal or corporate income tax due.

The amount of the credit allowed to a holder who sells, exchanges or transfers their credit to another taxpayer, may not be split or divided between taxpayers. The total amount of credit allowed, as shown on the TRD-approved document provided to the holder, must either be claimed or otherwise transferred by the holder. The TRD-approved document will be either Form RPD-41382, *New Sustainable Building Tax Credit Approval*, or a TRD-approved Form RPD-41384, *Notice of Transfer of New Sustainable Building Tax Credit*, depending on the how the previous holder received TRD approval for the credit.

If, however, the holder is a partnership or other business association that passes the credit to its owners, each owner may claim a credit only in proportion to that owner's interest in the partnership or other business association. The total credit claimed by all owners may not exceed the amount of the credit that could have been claimed by the holder.

Note: Once a credit is claimed by a holder or owner, the carryforward may not be further sold, exchanged or transferred.

An original building owner that is a partnership or other business association may pass TRD-approved credit to its owners, by completing Sections I and II of Form RPD-41382, *New Sustainable Building Tax Credit Approval*, and submitting a Form RPD-41327 for each owner.

How You Can Claim the Approved Credit

Holders or owners can claim the approved new sustainable building tax credit against their personal or corporate income tax liability for the tax year subject to the rules described next. If the amount of the credit available in a tax year exceeds the liability for that tax year, holders or owners can carryforward the excess for up to seven years.

The holder or owner must first claim the credit in the year they are eligible to claim the credit or the portion of the

State of New Mexico - Taxation and Revenue Department
**NEW SUSTAINABLE BUILDING TAX CREDIT
CLAIM FORM**

credit before the carryforward can be claimed. This is true even if no tax is due.

If the total approved amount of new sustainable building tax credit for a taxpayer in a tax year represented by the approval issued by TRD is:

- less than \$100,000, a maximum of \$25,000 shall be applied against the taxpayer's income tax liability for the tax year for which the credit is approved and the next three subsequent tax years as needed depending upon the amount of the credit, or
- \$100,000 or more, increments of 25% of the total credit amount in each of the four tax years, including the tax year for which the credit is approved and the three subsequent tax years, shall be applied against the taxpayer's income tax liability.

If the sum of all new sustainable building tax credits that can be claimed in a tax year for a taxpayer, exceeds the taxpayer's income tax liability for that tax year, the excess may be carried forward for a period of up to seven years.

Married individuals who file separate returns for a tax year in which they could have filed a joint return may each claim only one-half of the new sustainable building tax credit that would have been allowed on a joint return.

Completing Form RPD-41383

Complete the name, address, SSN or FEIN and contact information of the owner or the holder claiming the credit.

Line 1. Enter the beginning and ending date of the tax year for the New Mexico income tax return on which you are claiming a credit or carryforward of a previously claimed credit.

Line 2. Enter the Net New Mexico income tax calculated before applying any credit. Calculate the net New Mexico income tax using the instructions on the form without subtracting any credits, from any source.

Complete Schedule A, using the instructions in the next section.

Line 3. Enter the total credit to be applied to the net New Mexico income tax, from Schedule A, column (f). The amount entered on line 3, cannot exceed the net New Mexico income tax entered on line 2. Additionally, all credits, from any source, may not exceed the net New Mexico income tax entered on line 2.

Sign, date and attach this form to your net New Mexico income tax return. Also, complete and attach the Schedule CR for your return.

Schedule A Instructions

For each new sustainable building tax credit approved by TRD, complete a row in Schedule A. Do not include credits that have expired or that have not been claimed in the tax year for which the credit has been approved to be applied.

Column Instructions

(a) Credit number. Enter the credit number assigned by the TRD for each new sustainable building tax credit approved by TRD. The credit number is provided on Form RPD-41382, *New Sustainable Building Tax Credit Approval*. If the credit was transferred to you, enter the new credit number assigned by TRD on Form RPD-41384, *Notice of Transfer of New Sustainable Building Tax Credit*.

Do not enter a credit if the credit was not approved by TRD or if the credit is no longer available for carryforward. Excess new sustainable building tax credits may only be carried forward for seven years following the tax year that the credit is first claimed.

(b) First eligible tax year. Enter the first eligible tax year the new sustainable building tax credit can be claimed, as indicated on the certificate of eligibility issued by EMNRD, or on Forms RPD-41382, *New Sustainable Building Tax Credit Approval*, or RPD-41384, *Notice of Transfer of New Sustainable Building Tax Credit*.

(c) Amount of credit approved. For each credit, enter the amount approved by TRD, as indicated on Forms RPD-41382, *New Sustainable Building Tax Credit Approval*, or RPD-41384, *Notice of Transfer of New Sustainable Building Tax Credit*.

(d) Total credit claimed in previous tax years. For each credit amount listed, enter the total amount of credit claimed in all tax years prior to the current tax year.

(e) Unused credit. For each credit, subtract the amount in column (d) from the amount in column (c).

(f) Applied to the attached return. For each credit, enter in column (f) the amount that is applied to the New Mexico income tax return to which you wish to claim the credit.

When calculating the amount in column (f), apply the following rules:

- **Applying credits:** Apply the new sustainable building tax credit that was approved for the current tax year first. If additional tax is due for the current tax year, you may apply credit available for carryforward from prior year claims. Excess credit available

State of New Mexico - Taxation and Revenue Department
**NEW SUSTAINABLE BUILDING TAX CREDIT
CLAIM FORM**

for carryforward from prior year claims, should be applied in the order that they were approved, applying older credits first.

- **The maximum amount of credit claimed in a tax year.** The sum of tax credits applied to the tax due on the return may not exceed the net New Mexico income tax claimed on the New Mexico income tax return.