



2005 Geothermal System Credit

15-32-115, MCA

MONTANA
ENRG-A
Rev. 12-05

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

1 Enter here the physical address of your home where the geothermal system was installed.....	
2 Enter here the date the installation of your geothermal system was completed.....	
3 Enter here the brand name and model number of the geothermal system that you installed.....	

Complete lines 4 through 7 only in the year you installed your geothermal system in your primary dwelling.

4 Enter the installation cost of your geothermal system.....	4	
5 Enter the amount of any grants that you received for the installation of your geothermal system.....	5	
6 Subtract line 5 from line 4 and enter the result here.....	6	
7 Enter the smaller of line 6 or \$1,500 here. This is your geothermal system credit. Enter here and on Form 2A, Schedule V, line 15.....	7	

Complete lines 8 through 10 only if you are carrying forward your unused geothermal system credit from a prior year.

8 Enter the amount of your geothermal system credit originally allowed. This cannot be greater than \$1,500.....	8	
9 Enter the amount of your geothermal system credit or credits previously claimed.....	9	
10 Subtract line 9 from line 8 and enter the result here and on Form 2A, Schedule V, line 15. This is your unused geothermal system credit for 2005.	10	

General Instructions

What is a geothermal system?

A geothermal system is a system that transfers energy either from the ground, by way of a closed loop, or from ground water, by way of an open loop, for the purpose of heating or cooling a residential building.

What costs are included in the installation cost of my geothermal system?

Your installation costs include the cost of:

- Trenching, well drilling, casing, and downhole heat exchangers;
- Piping, control devices, and pumps that move heat from the earth to heat or cool the building;
- Ground source or ground coupled heat pumps;
- Liquid-to-air heat exchanger, ductwork, and fans installed with a ground heat well that pump heat from a well into a building; and
- Design and labor.

Who qualifies for the geothermal system credit?

The geothermal system credit is available only to a Montana resident individual who completes the installation of a geothermal system in his or her principal dwelling or home. This credit is not available to a nonresident individual.

I have installed a geothermal system in my principal home this year but am unable to claim the full amount of my geothermal credit because my income tax liability is less than \$1,500. Can I carry my unused credit forward to 2006?

Yes. This credit is considered a nonrefundable carryover credit in which you can carry forward any unused portion of your geothermal system credit for 7 succeeding tax years. Complete lines 8, 9 and 10 above to determine the amount of your geothermal credit that can be carried forward. Your total credit reported in the year of installation and in subsequent years cannot exceed the maximum credit of \$1,500.

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

Yes you can but the credit is limited to \$1,500 for the installation of a geothermal system in your principal home. You may allocate the credit between you and your spouse in any manner you choose.

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

No. Repairs to your existing geothermal system are not installation costs that entitle you to a geothermal system credit.

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

When you file your Montana income tax return electronically, you represent that you have retained all documents required as a tax record and that you will provide a copy to the department upon request.