

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

**Purpose of This Form.** To apply approved sustainable building tax credit to personal or corporate income tax due, submit Form RPD-41329, *Sustainable Building Tax Credit Claim Form*, with Form PIT-1, CIT-1, S-Corp, or FID-1 for the tax year to which you are applying the credit. You may carry forward excess sustainable building tax credit for seven tax years from the tax year that includes the date the New Mexico Taxation and Revenue Department (TRD) approved the credit. See RPD-41327 instructions for more information on this tax credit.

Sign, date, and attach this form to your return and mail to the address on the New Mexico income tax return. To apply for the credit, contact the Energy Conservation and Management Division at (505) 476-3320 or visit [www.emnrd.state.nm.us/ecmd](http://www.emnrd.state.nm.us/ecmd). For help completing this form, obtaining TRD approval, or claiming the credit, call (505) 476-3683.

Name of holder	Social security number or federal employer identification number
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**Schedule A. Worksheet To Compute the Total Excess Credit Available For Carryforward**

(a) Credit number	(b) Amount of credit approved	(c) Total credit applied to previous tax liabilities	(d) Excess credit available for carryforward [(b) - (c)]

**TOTAL excess credit available for carryforward.** Enter the sum of column (d). If supplemental pages are attached, enter the sum of column (d) from all pages.

1. Tax credits approved and claimed. From Schedule B, enter the sustainable building tax credits approved and claimed for the tax year of the attached return.
2. TOTAL excess credit available for carryforward. From Schedule A, enter the total unused sustainable building tax credits available for carryforward. If none, leave blank.
3. Enter the sum of lines 1 and 2. This is the available sustainable building tax credit you may claim against the attached New Mexico income tax return.
4. Enter the portion of available credit applied to your current New Mexico personal or corporate income tax return.

1.	
2.	
3.	
4.	

The credit applied to the attached return cannot exceed the amount of personal or corporate income tax liability otherwise due. After applying the credit approved and claimed for a tax year (line 1), you may apply excess credit available for carryforward from line 2. When applying excess credit approved on prior year returns, apply the credit with the oldest approval date first.

Enter the credit applied on the applicable line of the New Mexico income tax Form PIT-1, CIT-1, S-Corp, or FID. The sustainable building tax credit may be deducted only from the claimant's New Mexico personal or corporate income tax liability.

**IMPORTANT: Failure to attach this signed form to your New Mexico personal or corporate income tax return results in denial of the credit.**

Signature \_\_\_\_\_

Date \_\_\_\_\_

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**Schedule B. Worksheet to Compute Amount of Credit Approved to be Claimed  
in The Current Tax Year**

Complete and attach Schedule B to RPD-41329, *Sustainable Building Tax Credit Claim Form*, to claim the approved sustainable building tax credit.

First, fill out the information block at the top, showing the name of the holder and the holder's SSN or FEIN. To complete the table, refer to the credit number, approval date and approved amount of credit as issued to you by the Taxation and Revenue Department found at the bottom of RPD-41327, *Sustainable Building Tax Credit Approval*, or RPD-41342, *Notice of Transfer of Sustainable Building Tax Credit*, for each credit you are claiming. Enter the credit number for each sustainable building tax credit you are claiming, the date of credit approval for each tax credit, and the approved amount of the tax credit. Add the approved amounts in the last column and then enter the total tax credits approved to be claimed in the current tax year. This is the amount to enter on the *Sustainable Building Tax Credit Claim Form*, line 1.

Before submitting the holder's personal or corporate income tax return, make sure this Schedule B is attached to RPD-41329, *Sustainable Building Tax Credit Claim Form*.

Name of holder	SSN or FEIN
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Credit number	Date of credit approval	Approved amount of sustainable building tax credit
<b>TOTAL credits approved and claimed</b> Enter the sum on line 1 of the credit claim form.		

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**ABOUT THIS CREDIT**

The purpose of the Sustainable Building Tax Credit is to encourage the construction of sustainable buildings and the renovation of existing buildings into sustainable buildings. For tax years ending on or before December 31, 2016, the tax credit is available for the construction in New Mexico of a sustainable building, for 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.

The credit is available for residential and commercial buildings, after the construction, installation, or renovation of the sustainable building is complete. To qualify for the sustainable building tax credit, the building must have achieved a silver or higher certification level in the Leadership in Energy and Environmental Design (LEED) green building rating system or the Build Green NM rating system.

**Tax Credit For Sustainable Commercial Buildings**

The credit calculation is based on the certification level the building achieved in the LEED green building rating system and the amount of qualified occupied square footage in the building. See the commercial building rate chart on the last page of the instructions for Form RPD-41327, *Sustainable Building Tax Credit Approval*.

**Tax Credit For Sustainable Residential Buildings**

The credit calculation is based on the Build Green NM rating system certification level and the amount of qualified occupied square footage in the building. See the residential building rate chart on the last page of Form RPD-41327, *Sustainable Building Tax Credit Approval*.

To qualify for the sustainable building tax credit, the certification level for a sustainable residential building must be awarded on or after January 1, 2007, and the building owner must be:

- (1) the owner of the sustainable residential building at the time the certification level for the building in the LEED green building rating system or the Build Green NM rating system is awarded, or
- (2) the subsequent purchaser of a sustainable residential building with respect to which no tax credit has been previously claimed.

**Obtaining the Certificate of Eligibility**

The owner of the building must first obtain a certificate of eligibility for the sustainable building tax credit from EMNRD after the construction, installation, or renovation of sustainable building is complete. EMNRD determines whether the building owner meets the requirements as a sustainable residential or sustainable commercial building and verifies the certification level awarded for the building.

If approved, EMNRD issues the building owner a certificate of eligibility. The certificate includes the rating system certification level awarded to the building, the amount of qualified occupied square footage in the building, and a calculation of the maximum

amount of sustainable building tax credit for which the building owner is eligible.

**NOTE:** Buildings owned by state or local governments, public school districts, or tribal agencies do not qualify as a sustainable building for purposes of the sustainable building tax credit.

To apply for a certificate of eligibility, contact the Energy Efficiency and Green Building Administrator at (505) 476-3254, or write to Energy, Minerals and Natural Resources Department, 1220 So. St. Francis Dr., Santa Fe, NM 87505.

**Annual Limits Established for Approving Applications**

Effective January 1, 2014\*, EMNRD cannot issue a certificate of eligibility if the total amount of sustainable building tax credits issued in a calendar year exceeds an aggregate amount of \$1,000,000 with respect to sustainable commercial buildings and an aggregate amount of \$4,000,000 with respect to sustainable residential buildings, provided that no more than \$1,250,000 of the aggregate amount with respect to sustainable residential buildings shall be for manufactured housing. Applications are considered in the order received.

If for any tax year, EMNRD determines that the applications for sustainable building tax credits with respect to sustainable residential buildings for that taxable year exceed the aggregate limit above, EMNRD may issue certificates of eligibility under the aggregate annual limit for sustainable commercial buildings to owners of sustainable residential buildings that meet the requirements of EMNRD and of the sustainable building tax credit, provided that applications for sustainable building credits for other sustainable commercial buildings total less than the full amount allocated for tax credits for sustainable commercial buildings.

\*Prior to January 1, 2014, the aggregate limitations for a calendar year were \$5,000,000 with respect to sustainable commercial buildings and \$5,000,000 with respect to sustainable residential buildings.

**Tax Credit Forms**

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

- RPD-41327, *Sustainable Building Tax Credit Approval*
- RPD-41342, *Notice of Transfer of Sustainable Building Tax Credit*
- RPD-41329, *Sustainable Building Tax Credit Claim Form*, which includes Schedule A, *Worksheet To Compute the Total Excess Credit Available For Carryforward* and Schedule B, *Worksheet to Compute Amount of Credit to Apply in Tax Year*

**Requesting the Tax Credit Approval from the Taxation and Revenue Department**

After EMNRD issues the certificate of eligibility, the owner of the building must promptly complete Form RPD-41327, *Sustainable Building Tax Credit Approval*, and submit it to the

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Taxation and Revenue Department (TRD) with a copy of the certificate of eligibility. If all requirements have been complied with, TRD approves the credit and returns the approved form to the owner or holder. The sustainable building tax credit allowed an eligible owner of a qualifying sustainable building may be claimed against the owner's personal or corporate income tax liability or may be sold, exchanged, or otherwise transferred to another taxpayer.

If the qualifying sustainable building is owned by a partnership or other business association, the owner may pass the credit to its member(s), partners(s), shareholder(s), or beneficiary(ies) by completing Section II, and submitting a Form RPD-41327, *Sustainable Building Tax Credit Approval*, for each member, partner, shareholder, or beneficiary. Members, partners, and beneficiaries may claim a credit only in proportion to their interest in the partnership or association, and are issued an approval for their portion of the credit. The total credit claimed in the aggregate by all members, partners, and beneficiaries of the partnership or other business association with respect to the sustainable building shall not exceed the amount of the credit that could have been claimed by a sole owner of the property. If TRD denies the approval request, Form RPD-41327 is returned to the building owner with an explanation.

**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-41342, *Notice of Transfer of Sustainable Building Tax Credit*, must be used to report to TRD a transfer of approved sustainable building tax credit to another taxpayer. 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.

**How You Can Apply the Approved Credit**

Holders or owners can apply the approved 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 carry forward the excess for up to seven years.

Effective January 1, 2014, if the total approved amount of all sustainable building tax credits in a tax year is:

- \$100,000 or more, 25% of the total credit amount is applied against the holder's personal or corporate income tax liability in the tax year in which the credit is approved, and 25% in each of the next three subsequent tax years.
- Less than \$100,000, a maximum of \$25,000 is applied against the holder's personal or corporate income tax liability for the tax year in which the credit is approved, and a maximum of \$25,000 for the next three subsequent tax years as needed until the total credit is applied.

Prior to January 1, 2014, if the amount of the sustainable building tax credit represented by the TRD approval is \$25,000 or more, the credit must be applied for the tax year in which the credit is approved and for the next three subsequent tax years, in increments of 25% of the total credit amount in each of the four tax years. If the amount of the sustainable building tax credit approved by TRD is less than \$25,000, the entire amount of the credit may be applied in the tax year in which the credit is approved.

In all cases, you may carry forward any excess from a credit that has been applied for up to seven years. A husband and wife who file separate returns for a taxable year in which they could have filed a joint return may each claim only one-half of the sustainable building credit that would have been allowed on a joint return.

**Effectiveness and Cost of Credit**

Beginning in 2015 and every five years thereafter, TRD presents annual reports to the Revenue Stabilization and Tax Policy Committee and the Legislative Finance Committee with an analysis of the effectiveness and cost of the tax credit, and whether the tax credit is performing the purpose for which it was created.

**COMPLETING THE CREDIT CLAIM FORM**

Enter the holder's name and social security number or federal employer identification number. Then complete Schedule A, following the instructions described next, to compute total excess credit available for carryforward.

**Completing Schedule A. Worksheet To Compute the Total Excess Credit Available For Carryforward**

Include in Schedule A only credits claimed in a prior tax year that have a balance available for carryforward. Credits approved for the tax year of this claim are included on line 1 of this claim form.

**Column a. Credit number.** Enter the credit number for each sustainable building tax credit approved by TRD for a previous tax year. If you need additional space, attach a schedule in the same format on a separate page. Do not enter a credit if the credit was not approved by TRD or if the credit is no longer available for carryforward. Excess sustainable building tax credits may only be carried forward for seven years following the tax year that the credit is approved and claimed.

**Column b. Amount of credit approved.** For each tax credit listed in column a, enter the amount of credit approved.

**Column c. Total credit applied to previous tax liabilities.** For each credit amount listed in column b, enter the total amount of credit applied to personal or corporate income tax liabilities for previous year returns.

**Column d. Excess credit available for carryforward.** Subtract column c from column b and enter the difference.

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**TOTAL excess credit available for carryforward.** Enter the sum of all amounts in column (d). If supplemental pages are attached, enter the sum of all amounts in column (d) from all pages. Also enter this amount on line 2 of this form.

Now go to Schedule B and follow its instructions to complete the schedule. Then continue with Schedule A, line 1, described next.

**Line 1. Tax credits approved and claimed.** From Schedule B, enter the total sustainable building tax credits approved and claimed for the tax year of the attached return. For limitations, see *How You Can Apply the Approved Credit* earlier on this page.

**Line 2. Total excess credit available for carryforward.** Enter the portion of excess credit available for carryforward from Schedule A. If none, leave blank.

**Line 3. Enter the sum of lines 1 and 2.** This is the total sustainable building tax credit available to be claimed against the personal or corporate income tax liability due on the attached return.

**Line 4. Enter the portion of available credit applied to your current New Mexico personal or corporate income tax return.** The credit applied to the return you attach cannot exceed the amount of personal or corporate income tax liability otherwise due. First apply the credit approved and claimed in the tax year (line 1). If the credit amount approved and claimed in a tax year is less than the personal or corporate income tax liability for that year, apply the excess credit available for carryforward (line 2). When applying excess credits available for carryforward, first apply the credit with the oldest approval date.

Sign, date, and attach the certificate issued by ENMRD and Form RPD-41329, *Sustainable Building Tax Credit Claim Form*, with Schedule B to your personal or corporate income tax return.

Mail your return and all attachments to the address on the income tax return. For assistance completing this form, call (505) 476-3683.