

DEDUCTIONS FOR AMOUNTS PAID TO SUBCONTRACTORS
BY CONTRACTORS AND DEDUCTIONS
FOR DEVELOPMENT OF REALTY

FORM 1280-DEV

*THIS FORM IS TO BE USED BY BUSINESS CODES 332 AND 336 ONLY AND MUST BE ATTACHED
TO CONTRACTORS/DEVELOPERS GROSS RECEIPT TAX COUPON TO SUBSTANTIATE PAYMENTS
TO SUBCONTRACTORS AND DEDUCTIONS FOR DEVELOPMENT OF REALTY*

1. Enter Federal Employee Identification Number	OR	Social Security Number																
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2. Name _____

3. Address _____

City	State	Zip Code
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4. General Contractors Total Monthly Gross Receipts: Month/Year _____ \$ _____
(Enter on Line 1 of Gross Receipts Coupon, including proceeds from development activities)

5. PART A: Less Payments to Subcontractors:

Name &. Address

1		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
2		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
3		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
4		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code

(See Reverse Side for Additional Space)

TOTAL PART A. (Attach separate schedule if additional space is needed) _____

TOTAL PART B. Realty Development Expenses
(From Line 10 on Back of Form) _____

TOTAL PART C. Miscellaneous Expenses
(From Line 11 on Back of Form) _____

TOTAL PART D. Election to Deduct 30% of Gross Receipts from Sale of Property
(From Line 12 on Back of Form) _____

6. **Total Payments to Subcontractors & Development Expenses:** \$ _____
Add Parts A & B & C OR A & D and enter on Line 2 of Gross Receipts Coupon

7. **Total Taxable Gross Receipts for the Month:** \$ _____
Subtract Line 6 from Line 4 and enter on Line 3 of Gross Receipts Coupon

I declare under penalties as provided by law that the information on this form is true, correct and complete.

SIGNATURE

TITLE

DATE

Contracts have been awarded to the following nonresident contractors and nonresident subcontractors:

Name & Address		Employer ID No.	DE Business License No.
5		Amount of Payment	Business Code
6		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
7		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
8		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
9		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
10		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
11		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
12		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
13		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
14		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
15		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code

Contractor Name _____ TPID _____ Tax Period _____

(The information requested below is required for each development from which a lot was sold during the reporting period.)

Name of Development _____

Development Address _____

- (1.) Number of Properties/Lots sold this period. _____
- (2.) Number of Properties/Lots within this development. _____
- (3.) Percentage of Properties/Lots sold this period. _____
[Divide Line (1.) by Line (2.)]
- (4.) Total Number of Properties/Lots sold to date _____

PART B: Total Cost of Realty Development Expenses

- a. Cost of Raw land _____
- b. Site Improvement _____
(Clearing, grading, streets, water, power &. other utilities)
- c. Engineering Costs _____
(Rezoning &. subdivision costs only)
- d. Legal Fees _____
(Rezoning &. subdivision costs only)
- e. Interest cost associated with acquisition &. development of the site _____
regardless of whether interest has been expended or capitalized for
federal income tax purposes. (Allocated on a per lot basis.)
- f. Decorating & space planning costs associated with model home(s). _____

8. **Total (Part B)** (Add lines a. - f. and enter here.) _____9. **Enter the percentage from Line (3.) above.** _____10. **Total.** (Multiply Line 8. by Line 9. and enter here and on Line 5, Part B.) _____**PART C: Miscellaneous Expenses Attributable to Lots Sold this Tax Period.**

- a. Developers share of Realty Transfer Tax _____
- b. Real estate fees/commissions (Maximum 2% of gross proceeds) _____
- c. Sales concessions to buyers deducted from sellers funds at settlement. _____
(Points, settlement help, etc.)
- d. Other costs associated with **the Lots sold this tax period** _____
(other than general administrative &. overhead). Attach a statement
identifying such costs.

11. **Total (Part C)** (Add lines a. - d. and enter here and on Line 5, Part C.) _____**PART D: Election to Deduct 30% of Gross Receipts from the Sale of Property.** An election to use the standard 30% deduction is irrevocable for a period of one year from the date of such election.

- a. Gross receipts from sale of property for this tax period. _____
- b. Standard 30% deduction. _____ **x 30%**

12. **Total (Part D)** (Multiply Line a. by Line b. (30%) and enter here and on Line 5, Part D.) . . . _____**NOTE: PAYMENTS DEDUCTED UNDER PART B MAY BE NOT DEDUCTED AGAIN UNDER PART C. IF PART "D" ELECTION IS CHOSEN, TAXPAYER MAY NOT CLAIM DEDUCTIONS UNDER PARTS B & C.**

A partial list of non-deductible items for Contractors and Real Estate Developers is contained on Page 7. Section IV, D, of Division of Revenue Tax Information Memorandum 93-5 dated August 19, 1993.

This page must accompany Form 1280-DEV and be attached to the monthly or quarterly gross receipts coupon.

LINE-BY-LINE INSTRUCTIONS

FORM 1280-DEV

1. Enter the account number of the business for which you are filing. This is either a federal employer identification number or a social security number, and can be found in your annual gross receipts coupon book.
2. Enter the contractor's business name, as it appears on the Delaware business license.
3. Enter the contractor's mailing address.
4. Enter the month and year for which the gross receipts tax is being reported. Enter the total amount of gross receipts being reported. (The total on Line 4 should also be entered on Line 1 of your gross receipts reporting coupon.)
5. List payments made to subcontractors. If you are reporting payments to more than five subcontractors, use the back of Form 1280 for additional space:
 - 1) Enter the subcontractor's business name and mailing address in the field provided.
 - 2) Enter the subcontractor's employer identification number.
 - 3) Enter the total amount of payment(s) made to the subcontractor.
 - 4) Enter the subcontractor's Delaware business license number. **Payments to subcontractors without a current business license will be denied.**
 - 5) Enter the subcontractor's business code (this can only be business code 331, 332, 333, 335, 336 or 337).
6. Enter the total amount of payments made to subcontractors. (The total on Line 6 should also be entered on Line 2 of your gross receipts reporting coupon.)
7. Subtract Line 6 from Line 4. Enter this amount on Line 7. (The amount on Line 7 should also be entered on Line 3 of your gross receipts reporting coupon.)

The following is a listing of activities/expenses which are **NOT DEDUCTIBLE** as amounts paid to subcontractors:

Accounting Expenses	Horticulture
Advertising	Inspections
Architects	Interior Designers/Decorators
Attorneys	Material supplied without labor
Cleaning	Operating Expenses
Construction Management	Realtors
Delivery or transportation charges	Sanitation
Employment Agencies or temporary employees	Security
Engineers	Surveyors
Environmental Studies	Taxes or other fees paid to any state, county, city or municipality
Equipment Rental	Trailer Rentals
Exterminators	Trash Removal
Hauling	Utility Expenses

(Form 1280-DEV - Revised 11/2007)