



Claim for Solar Electric Generating Equipment Credit

Attach this form to Form IT-201 or Form IT-203.

Name(s) as shown on return	Social security number as shown on return
<input type="text"/>	<input type="text"/>

Complete Part 1 and, if applicable, Part 2.

Part 1 — Computation of solar electric generating equipment credit

If the rated capacity of the system exceeds 10 kilowatts (10,000 watts), stop; you do not qualify for this credit.

1 Enter your total expenditures for solar electric generating equipment	1.	<input type="text"/>	.	<input type="text"/>
2 Enter the portion of the expenditures made from nontaxable federal, state, and local grants (see instructions)	2.	<input type="text"/>	.	<input type="text"/>
3 Enter any interest and other finance charges included in line 1 (see instructions)	3.	<input type="text"/>	.	<input type="text"/>
4 Add lines 2 and 3.....	4.	<input type="text"/>	.	<input type="text"/>
5 Qualified solar electric generating equipment expenditures (subtract line 4 from line 1)	5.	<input type="text"/>	.	<input type="text"/>
6 Enter in watts (maximum 10,000) the maximum rated capacity of the equipment (see instructions)	6.	<input type="text"/>	.	<input type="text"/>
7 New York State expenditure cap rate (\$6.00 per watt)	7.	<input type="text"/>	.	<input type="text"/>
8 Multiply line 6 by line 7	8.	<input type="text"/>	.	<input type="text"/>
9 Enter the amount from line 5 or line 8, whichever is less	9.	<input type="text"/>	.	<input type="text"/>
10 Multiply line 9 by 25% (.25) (cannot exceed \$3,750). This is your current-year solar electric generating equipment credit. (If more than one member of your principal residence is filing Form IT-255, see instructions.)	10.	<input type="text"/>	.	<input type="text"/>
11 Enter the available carryover of unused solar electric generating equipment credit from the preceding period (see instructions)	11.	<input type="text"/>	.	<input type="text"/>
12 Add lines 10 and 11. This is your total current-year solar electric generating equipment credit..... Enter the line 12 amount on Form IT-201-ATT, line 5, or Form IT-203-ATT, line 6.	12.	<input type="text"/>	.	<input type="text"/>

Part 2 — Application of credit and computation of carryover

(see the instructions to determine if you are required to complete this schedule)

13 Total credit (from line 12 above)	13.	<input type="text"/>	.	<input type="text"/>
14 Amount that you applied against your 2005 tax	14.	<input type="text"/>	.	<input type="text"/>
15 Amount of credit available for carryover to 2006 (subtract line 14 from line 13)	15.	<input type="text"/>	.	<input type="text"/>

Instructions



For 2005, this form is not eligible for e-file. If you are attaching this form to your return, you must file on paper.

New for 2005

Form IT-255, *Claim for Solar Electric Generating Equipment Credit*, is now used only to compute your solar electric generating equipment credit. The fuel cell electric generating equipment credit, previously computed on Form IT-255, is now computed on new Form IT-259, *Claim for Fuel Cell Electric Generating Equipment Credit*.

General information

If the rated capacity of the system exceeds ten kilowatts (10,000 watts), stop; you do not qualify for the credit.

Effective for tax years beginning on or after January 1, 1998, Tax Law section 606(g-1) allows a credit for the purchase and installation of an eligible solar electric generating equipment system. The credit is 25% of the qualified solar electric generating equipment expenditures for the purchase and

installation of a system that generates solar electric energy for residential use. The equipment must be installed and used at the taxpayer's principal residence in New York State and must be placed in service on or after January 1, 1998.

Before you can qualify for the credit, you must enter into a net energy metering contract with your electric corporation or comply with the electric corporation's net energy metering schedule. The completed solar electric generating equipment system must also be connected to the electric corporation's transmission and distribution facility. Other conditions and limitations set by the electric company may also apply. You should contact your electric company for more information before you purchase your equipment.

If your credit is greater than the amount of tax you owe, the balance will not be refunded to you. However, any credit amount in excess of the tax due for 2005 can be carried over for a maximum of up to five years.



Definitions

Solar electric generating equipment means a manufactured photovoltaic system with a rated capacity of not more than 10 kilowatts (10,000 watts) which, when installed at a residence, uses solar energy to generate electricity for use in the residence. It must be operated in accordance with applicable government and industry standards, and must also be operated in conjunction with an electric corporation's transmission and distribution facilities.

Qualified solar electric generating equipment expenditures means expenditures, limited to the expenditure cap, for the purchase of solar electric generating equipment which is installed and used at residential property located in New York State that is your principal residence at the time the solar electric generating equipment is placed in service.

Qualified expenditures include expenditures for materials, labor costs properly allocated to on-site preparation, assembly and original installation, architectural and engineering services, and designs and plans directly related to the construction or installation of the solar electric generating equipment.

Expenditures made with nontaxable federal, state, and local grants, and any interest or finance charges, do not qualify as solar electric generating equipment expenditures.

Expenditure cap means six dollars multiplied by the number of watts (not to exceed 10,000 watts) included in the rated capacity of the solar electric generating equipment.

Principal residence means the home where you and your family live most of the time. A summer or vacation home does not qualify. Your principal residence can be a house, whether owned or rented, a mobile home, cooperative apartment, or condominium. If you move from one principal residence to another principal residence in New York State, a separate credit is allowed for each principal residence. You must file separate Forms IT-255 to compute your allowable credit for each principal residence.

Filing in your tax forms

For complete information on how to fill in New York State scannable income tax forms, see the instructions for:

- resident return (Form IT-201), **or**
- nonresident and part-year resident return (Form IT-203).

Also see the instructions for the above returns for the *Privacy notification* or if you *Need help* in contacting the Tax Department.

Line instructions

Part 1 — Computation of solar electric generating equipment credit

Line 2 — If any of the expenditures on line 1 were paid for with a nontaxable federal, state, or local grant, enter the amount of the grant on line 2. Do not include any grant that you were required to include in your federal adjusted gross income in the year received.

Line 3 — If line 1 includes any interest or other finance charges, include that amount on line 3. Do not include any finance or interest charge not included in line 1.

Line 6 — If the maximum rated capacity of the equipment is stated in kilowatts instead of watts, multiply the kilowatts by 1,000 to obtain the number of watts.

Line 10 — If you occupy a principal residence with another taxpayer or taxpayers, the amount of credit allowable to each taxpayer is prorated according to the percentage of the total eligible expenditures contributed by each taxpayer. However, a husband and wife filing a joint return do not have to prorate the credit. The maximum credit cannot exceed \$3,750.

Enter the total credit on line 10 and see the instructions for line 12.

Line 11 — Enter the amount of net credit available for carryover to 2005. The net credit available for carryover is that **portion** of **your** 2004 solar electric generating equipment credit included in the total amount shown on **your** 2004 Form IT-201-ATT, line 46, or Form IT-203-B, line 32, that was not applied to **your** 2004 tax.

Line 12 — Add the amounts from lines 10 and 11. If you occupy a principal residence with another taxpayer or taxpayers, enter only **your** share of the line 12 amount on Form IT-201-ATT or Form IT-203-ATT. Also attach a statement showing the name of each taxpayer of the residence and the total expenditures contributed by each taxpayer.

Example: *You and your father occupy the same residence. You each pay one-half of the cost of the solar electric generating equipment. You must claim one-half of the total credit on your New York State return and your father would claim the other half of the credit on his New York State return. You must each file Form IT-255 showing the computation of the total credit and attach the statement as described in Line 12 above.*

Part 2 — Application of credit and computation of carryover

You must first complete Form IT-201-ATT, *Other Tax Credits and Taxes*, or Form IT-203-ATT, *Other Tax Credits and Taxes*, before you can complete this schedule. Follow the instructions for Section B of Form IT-201-ATT or Section B of Form IT-203-ATT to determine the amount of credit to enter on line 14.

