

MANITOBA GREEN ENERGY EQUIPMENT TAX CREDIT WORKSHEET FOR INSTALLATION OF GEOTHERMAL GROUND SOURCE HEATING SYSTEMS

FOR SYSTEMS INSTALLED ON OR AFTER APRIL 13, 2011

Geothermal System Owner: _____

Part 1: Eligibility Criteria - If you answer "yes" to all of the following questions, you are eligible to apply for the Green Energy Equipment Tax Credit.

Did you purchase a geothermal ground source heat pump? Yes / No

Was the system purchased after April 4, 2007 as indicated on the sales receipt? Yes / No

Does the heat pump have a full load coefficient as rated by the ISO of: **Not** less than 3.3 if a closed loop design? **OR Not** less than 3.6 if an open loop design? Yes / No

Is the heat pump a water-to-air/brine-to-air as per ISO Standard 13256-1 OR a water-to-water/brine-to-water as per ISO Standard 13256-2? Yes / No

Was the system installed by an accredited installer? (certified by the Manitoba Geothermal Energy Alliance) Yes / No
See www.mgea.ca/members/ for a current list.

Company Name of MGEA Accredited Installer: _____

Part 2: Eligible Costs

Total Cost of System (see reverse side for details of what to include and exclude) (A) \$ _____

Cost of Ground Source Heat Pump (B) \$ _____

Incentives Received by Customer (do not include loans to be paid back) (C) \$ _____

Net Cost (A minus B minus C) (D) \$ _____

Part 3: Tax Credit

Amount "D" from Part 2 _____ x 15% (E) \$ _____

Individuals – Enter amount E above on form MB479, MB Tax Credits and include it with your T1 individual tax return.

Corporations – Enter amount E above on schedule 5, Tax Calculation-Supplementary and include with your T2 corporate return.

Instructions

An MGEA Accredited Installer will fill out this worksheet. Then provide this worksheet to your tax preparer along with invoices related to the costs in 'Part 2' to include on your next income tax return.

MANITOBA GREEN ENERGY EQUIPMENT TAX CREDIT GEOTHERMAL GROUND SOURCE HEATING SYSTEMS ADDITIONAL INFORMATION

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Capital cost includes invoiced costs of the geothermal system, as well as taxes - Manitoba sales tax, federal Goods and Services Tax, excise and customs taxes – and other cost related to acquiring and making the system operational - insurance, freight, installation. The costs must be incurred and paid. Where government assistance is received for purchasing or installing the system, this amount will reduce the amount claimable under the tax credit. This includes tax credits claimed under the 2009 Home Renovation Tax Credit for capital costs associated with a geothermal system. Borrowing costs are not eligible. Any grant or incentive provided to the customer must be subtracted from the total system costs; any loan portions of an incentive are not subtracted as they will be re-paid.

Geothermal ground source heating systems have equipment that is or will be used primarily for heating an actively circulated liquid or gas and is part of a ground source heat pump system that meets the standards set by the Canadian Standards Association for the design and installation of earth energy systems, including such equipment that consists of underground piping, energy conversion equipment, energy storage equipment, control equipment, equipment designed to interface with other heating equipment.

The machinery and equipment must be new. Reconditioned or remanufactured machinery or equipment do not qualify for the credit. It is not necessary that a complete heating system qualify for the credit. For example, a qualifying new heat pump that is replacing an existing pump in a geothermal ground source heating system would be eligible for the credit. Additionally, the heat pump itself must have a full load coefficient of performance (as rated in accordance with the International Standards Organization standard 13256-1 for water-to-air and brine-to-air heat pumps, and standard 13256-2 for water-to-water and brine-to-water heat pumps) of not less than 3.3 for a closed loop design, or not less than 3.6 for an open loop design.

The following equipment and property are not eligible for the credit: a building or part of a building, equipment used to heat water for use in a swimming pool, energy equipment that backs up eligible equipment described above, and equipment that distributes heated air or water in a building.

The system must be installed in Manitoba by an installer certified by the Manitoba Geothermal Energy Alliance, a listing of which is available on the MGEA website, www.mgea.ca. If the heat pump is not manufactured in Manitoba the tax credit is equal to 15% on the other capital costs excluding the costs of the heat pump.

For additional information or assistance on the tax credit, contact:
The Manitoba Tax Assistance Office, Manitoba Finance
809 – 386 Broadway, Winnipeg MB R3C 3R6
Facsimile: 204-948-2263 Telephone: 204-948-2115 Toll free (in MB): 1-800-782-0771
Email: tao@gov.mb.ca

For 2009 and forward, the Green Energy Equipment Tax Credit complements any Provincial Grants that may be available for geothermal installations. For additional information on provincial geothermal grants, including a Grant Application Form, visit www.manitoba.ca.

This worksheet is designed to assist a claimant for the tax credit with determining their eligibility and calculating the amount of the Green Energy Equipment Tax Credit. Where the information in this document does not correspond to the governing legislation and regulation, the latter prevails.

— THIS DOCUMENT IS A MODIFIED VERSION OF THE MANITOBA FINANCE WORKSHEET AND IS PROVIDED BY THE
MANITOBA GEOTHERMAL ENERGY ALLIANCE TO ASSIST MEMBERS IN CALCULATING THE APPLICABLE TAX CREDIT —