



State of Utah

GARY R. HERBERT
Governor

SPENCER J COX
Lieutenant Governor

Department of Administrative Services

KIMBERLY K. HOOD
Executive Director

Division of Facilities Construction and Management

P. JOSHUA HAINES
Director

DFCM Policy concerning Energy Policy Act of 2005, Section 179D - Deduction for Energy Efficient Commercial Buildings

As outlined in the Internal Revenue Bulletin: 2008-14, dated April 7, 2008, Notice 2008-40 Section 3, there may be a 179D deduction for a State of Utah owned commercial building property (or partially qualifying commercial building property) to the person or persons primarily responsible for designing the property ("Designer").

If there is a single Designer responsible for the creation of the technical specifications, that designer may submit a 179D deduction form to DFCM for review and approval. The single designer must certify in writing to DFCM that it is the sole Designer entitled to the 179D deduction and that the Designer understands that DFCM makes no representation or warranty as to the ability of the Designer to receive a 179D deduction.

If there are multiple Designers (as defined by the Notice 2008-40), the Designer who has the direct contract with DFCM may submit a 179D deduction form to DFCM for review and approval subject to the following:

- (1) There shall be an allocation form submitted to DFCM that designates the deduction among all that are entitled to the deduction. This shall include all architects and engineers under contract with the Designer for the specific service as well as all other entities entitled to the deduction.*
- (2) The Designer must certify in writing to DFCM that it has properly allocated the deduction and that all the allocated entities have agreed in writing to their allocation.*
- (3) The Designer must certify in writing to DFCM that the Designer understands that DFCM makes no representation or warranty as to the ability of the Designer to receive a 179D deduction.*

The energy model developed by DFCM during the design and construction phase of the project may not be used for the purposes of calculating the 179D tax deductions.

The Designer shall be fully responsible for the written form that is submitted to DFCM.

P. Joshua Haines
DFCM Director