

Treasury 1603: Applicant Checklist for Begun Construction Applications

Please take time to print and fill out this checklist prior to submitting your application. This checklist is designed to assist you in submitting a complete application. While this checklist does not address all possible scenarios for a complete application, most applicants should find that completing this checklist will make the review process more efficient and expedite determination. This checklist is for the documents being uploaded in Section 6B of the application.

For Applicants Electing 5% Safe Harbor – All applicants must document the costs paid/incurred. Required documentation includes:

- A statement from an authorized representative of the applicant signed under penalties of perjury attesting to the method of accounting by the applicant for federal tax purposes and the amount paid (for cash method applicants) or incurred (for accrual method applicants) before the end of 2011
- Evidence of the costs paid/incurred such as invoices or other financial records
- Detailed description of the costs paid/incurred including delineation of eligible and ineligible costs
- Cost breakdown of the estimated total project cost identifying major equipment and construction categories
- If materials are part of the 5% of costs, a detailed plan for ensuring that the materials for which costs were paid/incurred by the end of 2011 are the same materials used in the energy property for which you are applying for payment
- For projects with an estimated cost basis of \$1 million or more, an independent accountant's report that includes all of the above information. Go to Accountant's Report for Begun Construction section of the Treasury website to view the requirements for the independent accountant's report

Applicants Reliant on Costs Paid or Incurred by a Contractor Must Also Submit

- A copy of the binding written contract
- Statement from the contractor, signed under penalty of perjury, of costs paid/incurred and allocated to applicant's project
- Evidence of the costs paid/incurred by the contractor such as invoices or other financial records

For Applicants Electing "Physical Work of a Significant Nature" – All applicants must document the physical work. Required documentation includes:

- A written report from the project engineer or installer signed under penalties of perjury describing the project's eligibility and the work that has commenced
- Detailed construction schedule
- Evidence that eligible work has commenced including invoices for work performed
- Photographs of the physical work (optional, but may be helpful in the review process)
- For projects with an estimated cost basis of \$1 million or more, a written report, signed under penalty of perjury, from an independent engineer describing the project's eligibility and the work that has commenced

Applicants Relying on Physical Work Commencing Under a Contract Must Also Submit

- A copy of the binding written contract
- Statement from the contractor, signed under penalty of perjury, describing the work that has commenced and certifying that the work commenced pursuant to the binding written contract and is on eligible property for the applicant's project. This must include a detailed description of both the nature of the work in total, as well as what work has taken place

This checklist is for applicant use only and does not address all possible scenarios for a complete application. Please do not upload the checklist. Ultimately, IRS rules and Treasury 1603 requirements apply.