

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

1-   -

2-    -   -

2. Name \_\_\_\_\_

3. Address \_\_\_\_\_

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	Employer ID No.	Amount of Payment/ Delaware Business License No.
▶ _____ _____ _____	_____	_____

(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



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, either federal employer identification or social security number, from the gross receipt coupon book.
2. Enter the name of the contractor.
3. Enter the address of the contractor.
4. Enter the month and year for which the gross receipts tax is being reported and the amount of the gross receipts. (Enter this amount on Line 1 of the gross receipt coupon.)
5. List the names, addresses, employer identification numbers, business codes (331, 332, 335 or 336 only), amount of payments made to subcontractors and subcontractor's current Delaware business license number. **Payments to subcontractors without a current business license will be denied.**
6. Enter the total amount of payments made to subcontractors. (Enter this amount on Line 2 of the gross receipts coupon.)
7. Subtract Line 6 from Line 4 and enter here. (Enter this amount on Line 3 of the gross receipt 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