

HOUSE No. 2932

By Mr. Guyer of Dalton, petition of Denis E. Guyer for legislation to establish a renewable fuel or biofuel tax credit. Revenue.

The Commonwealth of Massachusetts

In the Year Two Thousand and Seven.

AN ACT ESTABLISHING A BIOFUEL TAX CREDIT.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 1 of Chapter 64A of the General Laws is
2 hereby amended by inserting after subsection 1, the following sub-
3 sections:—

4 (m) “renewable motor fuel” shall mean a combustible liquid
5 derived from grain starch, oilseed, animal fat, or other biomass; or
6 produced from a biogas source, including any nonfossilized
7 decaying organic matter which is commonly and commercially used
8 as a fuel in internal combustion engines.

9 (n) “biofuel” shall mean any blend of fuel which is at least 20%
10 renewable motor fuel by volume.

1 SECTION 2. Chapter 63 of the General Laws is hereby amended
2 by inserting after section 38T the following section:—

3 SECTION 38U. Notwithstanding any general or special law rule
4 or regulation to the contrary, for taxable years 2006, 2007, 2008,
5 2009 and 2010, there shall be deducted from the adjusted gross
6 income in determining taxable income up to \$500 for an individual
7 and up to \$1,000 for a business for the cost of renewable motor fuel
8 or biofuel (as defined in Section 1m of Chapter 64A).

9 (a) The deductions may be used only for the cost of renewable
10 motor fuel or biofuel purchased in the Commonwealth of Massachu-
11 setts during that taxable year.

12 (b) The commissioner of revenue shall promulgate rules and regu-
13 lations necessary to implement this section. The department shall

14 file a copy of any rules and regulations with the clerk of the Senate
15 and of the House of Representatives and with the Joint Committee
16 on Revenue.