

SENATE NO. 1774

AN ACT CREATING THE CLEAN HOME HEATING FUEL 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. Chapter 64A of the General laws, as so appearing, is hereby amended by adding after
2 subsection (l) the following section:

3 (m) "Biodiesel" shall mean a fuel comprised exclusively of mono-alkyl esters of long chain fatty acids
4 derived from vegetable oils or animal fats, designated B100, which meets the specifications of
5 American Society of Testing and Materials designation D 6751.

6 (n) "Bioheat" shall mean a fuel comprised of biodiesel blended with conventional home heating oil,
7 which meets the specifications of the American Society of Testing and Materials designation D 396 or
8 D 975.

9 Chapter 64 of the General laws, as so appearing, is hereby amended by adding after Section 64K, a
10 new Section

11 SECTION 64L. There is hereby established the Massachusetts Clean Home Heating Fuel Tax Credit.

12 A taxpayer shall be allowed a tax credit against the tax imposed by this article for bioheat, used for
13 space heating or hot water production for residential purposes within this state and purchased on or
14 after July first, two thousand six and before July first, two thousand seven. Such credit shall be \$0.01
15 per percent of biodiesel per gallon of bioheat, not to exceed twenty cents per gallon, purchased by such
16 taxpayer.

17 If the amount of credit allowed under this subdivision for any taxable year reduces the tax to such
18 amount, any amount of credit thus not deductible in such taxable year shall be treated as an
19 overpayment of tax to be credited or refunded in accordance with the provisions of section. No interest
20 shall be paid thereon.