

SENATE NO. 1775

AN ACT CREATING BIOFUEL PRODUCTION TAX CREDITS

*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 62 of the General Laws is hereby amended by adding the following section:

2 “There shall be allowed to any producer of biofuels as a credit against any tax liability imposed under
3 this chapter, a credit for each gallon of biofuel produced at a biofuel plant on or after January first, two
4 thousand eight, equal to fifteen cents per gallon after the production of the first forty thousand gallons
5 per year presented to market. The credit under this section shall be capped at two and one-half million
6 dollars per taxpayer per taxable year for up to no more than four consecutive taxable years per biofuel
7 plant.

8 A taxpayer engaged in the production of biofuels who is claiming a credit under this section shall
9 provide information to the Commissioner of the Department of Environmental Protection
10 regarding the biofuel being produced, including the quantity of biofuel products, the type of raw
11 material being utilized, the nature and composition of the biofuel being produced, the proportion
12 and composition of any non-biofuel with which the biofuel is blended, the heating value of the
13 biofuel as compared to the BTU value of one gallon of gasoline and the type of application for
14 which it is intended to be used. Upon review of the information, the Commissioner of the
15 Department of Environmental Protection shall provide the taxpayer with a letter of certification
16 stating that the biofuel produced during the taxable year is eligible for a tax credit under this
17 section and stating the number of gallons of biofuel produced during the taxable year.

