



## Biofuels Statutory Citations

### STATE OF OREGON

*This project was undertaken in partnership with the USDA Office of the Chief Economist, The Office of Energy Policy and New Uses. For information on the full project, visit [States' Biofuels Statutory Citations](#). These statutes are placed in reverse chronological order using the date of the most recent amendment to the statute. Many biofuels laws were enacted as amendments to previously passed laws.*

*Current through the 2013 Legislative Session of the Oregon General Assembly.*

#### **315.465. Biofuel consumer income tax credits**

(1) As used in this section and [ORS 315.469](#):

- (a) “Alternative fuel vehicle” means a motor vehicle that can operate on a fuel blend.
- (b) “Biodiesel” has the meaning given that term in [ORS 646.905](#).
- (c) “Biomass” has the meaning given that term in [ORS 315.141](#).
- (d) “Bone dry ton” means matter that is dried to less than one percent moisture content and that weighs 2,000 pounds.
- (e) “Fuel blend” means diesel fuel of blends equal to or exceeding 99 percent biodiesel or gasoline of a blend equal to or exceeding 85 percent methanol or ethanol.

(2)(a) A resident individual shall be allowed a credit against the taxes otherwise due under ORS chapter 316 for costs paid or incurred to purchase fuel blends for use in an alternative fuel vehicle.

(b) A resident individual shall be allowed a credit against the taxes otherwise due under ORS chapter 316 for costs paid or incurred to purchase forest, rangeland or agriculture waste or residue densified and dried prepared solid biofuel that contains 100 percent biomass.

(3) The amount of the credit shall be calculated as follows:

- (a) Determine the quantity of fuel blend or solid biofuel purchased by the taxpayer during the tax year;
- (b) Categorize the fuel blend or solid biofuel as prescribed in rules adopted under [ORS 469B.400](#); and
- (c) Multiply the quantity of fuel blend or solid biofuel in a particular category by the appropriate credit rate for that category, expressed in dollars and cents.

(4) Notwithstanding subsection (3) of this section:

(a) The credit allowed under this section for diesel blended fuel is equal to \$0.50 per gallon and in any one tax year may not exceed \$200 per Oregon registered motor vehicle that is owned or leased by the taxpayer under a lease of greater than 30 days' duration and that is capable of using a fuel blend.

(b) The credit allowed for gasoline blended fuel is equal to \$0.50 per gallon and in any one tax year may not exceed \$200 per Oregon registered motor vehicle that is owned or leased by the taxpayer under a lease of greater than 30 days' duration and that is capable of using a fuel blend.

(c) The credit allowed for forest, rangeland or agriculture waste or residue densified and dried prepared solid biofuel is equal to \$10 per bone dry ton of solid biofuel and in any one tax year may not exceed \$200 per taxpayer.

(d) The credit allowed in any one tax year may not exceed the tax liability of the taxpayer and may not be carried forward to a subsequent tax year.

(5) For each tax year for which a credit is claimed under this section, the taxpayer shall maintain records sufficient to determine the taxpayer's purchase of qualifying fuel blends. A taxpayer shall maintain the records required under this subsection for at least five years.

(6) A nonresident shall be allowed the credit under this section in the proportion provided in [ORS 316.117](#).

(7) If a change in the taxable year of a taxpayer occurs as described in [ORS 314.085](#), or if the Department of Revenue terminates the taxpayer's taxable year under [ORS 314.440](#), the credit allowed by this section shall be prorated or computed in a manner consistent with [ORS 314.085](#).

(8) If a change in the status of a taxpayer from resident to nonresident or from nonresident to resident occurs, the credit allowed by this section shall be determined in a manner consistent with [ORS 316.117](#).

(9) A husband and wife who file separate returns for a taxable year may each claim a share of the tax credit that would have been allowed on a joint return in proportion to the contribution of each.

**Credits** Added by [Laws 2007, c. 739, § 27, eff. Sept. 27, 2007](#).

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Formerly cited as OR ST § 469.785

**469B.400. Fuels qualifying for biofuel tax credits**

The State Department of Energy shall by rule identify categories of fuel blend and solid biofuel that qualify for the personal income tax credit allowed under [ORS 315.465](#).

**Credits** Renumbered from 469.785 in 2011 by the Legislative Counsel.