



Biofuels Statutory Citations

STATE OF SOUTH CAROLINA

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](#).

Current through the 2013 Legislative Session of the South Carolina General Assembly.

§ 12-6-3631. Biodiesel expenditures tax credit.

(A) For taxable years beginning after 2007, and before 2012, a taxpayer is allowed a credit against the income tax imposed pursuant to this chapter for qualified expenditures for research and development.

(B) For purposes of this section:

(1) “Qualified expenditures for research and development” means expenditures to develop feedstocks and processes for cellulosic ethanol, waste grease-derived biodiesel, and for algae-derived biodiesel, including:

(a) enzymes and catalysts involving cellulosic ethanol, waste grease-derived biodiesel, and algae-derived biodiesel;

(b) best and most cost efficient feedstocks for South Carolina; or

(c) product and development, including cellulosic ethanol, waste grease-derived biodiesel, or algae-derived biodiesel products.

(2) “Cellulosic ethanol” means fuel from ligno-cellulosic materials, including wood chips derived from noncommercial sources, corn stover, and switchgrass.

(C) The credit is equal to twenty-five percent of qualified expenditures for research and development, except for expenditures related to waste grease-derived biodiesel, which credit is equal to ten percent. A taxpayer’s total credit in all years, for all expenditures allowed pursuant to this section, must not exceed one hundred thousand dollars. Unused credits may be carried forward for five years after the tax year in which a qualified expenditure was made. The credit is nonrefundable.

(D) Expenditures qualifying for a tax credit allowed by this section must be certified by the State Energy Office. The State Energy Office may consult with the Department of Agriculture and the South Carolina Institute for Energy Studies on standards for certification.

(E)(1) To obtain the maximum amount of the credit available to a taxpayer, each taxpayer must submit

a request for the credit to the State Energy Office by January thirty-first for qualifying research expenses incurred in the previous calendar year and the State Energy Office must notify the taxpayer that the submitted expenditures qualify for the credit and the amount of credit allocated to such taxpayer by March first of that year. A taxpayer may claim the maximum amount of the credit for its taxable year which contains the December thirty-first of the previous calendar year. The Department of Revenue may require any documentation that it deems necessary to administer the credit.

(2) For the state's fiscal year beginning July 1, 2008, the maximum amount of the credit is to be determined based on an eighteen-month period beginning July 1, 2008, through December 31, 2009. Applications are to be made by January 31, 2010, for the previous eighteen-month period commencing July 1, 2008, and ending December 31, 2009. A taxpayer allocated a credit for this eighteen-month period may claim the credit for its tax year which contains December 31, 2009.

(3) To the extent the maximum amount of the credit contained in this section is repealed, the elimination of the maximum amount shall be seen as the last expression of the legislature and to the extent any language in this act conflicts with that repeal, it shall be considered null and void.

Credits HISTORY: 2007 Act No. 83, § 12, eff June 19, 2007; 2008 Act No. 261, § 3.D, eff May 29, 2008; 2010 Act No. 290, § 22, eff January 1, 2011.