



Biofuels Statutory Citations

STATE OF VIRGINIA

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 Virginia General Assembly.

§ 58.1-439.1. Clean fuel vehicle and advanced cellulosic biofuels job creation tax credit

A. For purposes of this section:

“Advanced biofuel” means a fuel derived from any cellulose, hemicellulose, or lignin that is derived from renewable biomass or algae.

“Clean special fuel” means any product or energy source used to propel a highway vehicle, the use of which, compared to conventional gasoline or reformulated gasoline, results in lower emissions of oxides of nitrogen, volatile organic compounds, carbon monoxide or particulates or any combination thereof. The term includes compressed natural gas, liquefied natural gas, liquefied petroleum gas, hydrogen, hythane (a combination of compressed natural gas and hydrogen), or electricity.

“Job” shall mean the full-time employment of an individual in Virginia by a corporation for at least 40 hours per week during at least 40 weeks during the calendar year whose primary work activity is related directly to any of the activities listed in subsection B.

“Vehicle” shall have the same meaning as provided in [U.S. Internal Revenue Code §§ 179A and 30](#).

B. For taxable years beginning on or after January 1, 1996, through December 31, 2014, a corporation shall be eligible for a credit against the tax levied pursuant to [§ 58.1-400](#) equal to \$700 for each job that is created in either (i) the manufacture of the major components of the energy storage, energy supply, or engine, motor, and power train mechanisms unique to a vehicle fueled by clean special fuels; (ii) the manufacture of components uniquely used to convert vehicles designed to operate on gasoline or diesel fuel to operate on clean special fuels or advanced biofuels; (iii) the conversion of vehicles designed to operate on gasoline or diesel fuel to operate on clean special fuels or advanced biofuels; (iv) the manufacture of vehicles designed to operate on clean special fuels; (v) the manufacture of components designed to produce, store, and dispense clean special fuels or advanced biofuels; or (vi) the production of advanced biofuels. The credit shall be allowed in the taxable year in which the job is created and in each of the two succeeding years in which the job is continued.

C. To qualify for the tax credit provided in subsection B of this section, a corporation must demonstrate (i) that a job was created during the taxable year for which the credit is claimed or was

continued from the previous taxable year in which a credit was claimed and (ii) the employment level in jobs defined in subsection A of this section in the taxable year for which the credit is first claimed has increased in comparison to the previous taxable year.

D. Any tax credit not used in the taxable year of job creation or continuation may be carried over for credit against the corporation's income tax in the five succeeding taxable years until the total credit amount is used.

E. In case of a partnership or limited liability company, the credit shall be allocated to the corporate partners or corporate members in proportion to their ownership or interest in the partnership or limited liability company.

F. A corporation shall not be eligible for a tax credit pursuant to this section if such corporation is allowed a major business facility job tax credit pursuant to [§ 58.1-439](#).

Credits [Acts 1995, c. 365](#); [Acts 2006, c. 238](#); [Acts 2009, c. 730](#). Amended by [Acts 2011, c. 176](#).