



STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
**CELLULOSIC ETHANOL OR ALGAE-
DERIVED BIODIESEL RESEARCH
AND DEVELOPMENT CREDIT**
Attach to your Income Tax Return

SC SCH.TC-49

(Rev. 11/10/08)

3448

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Name As Shown On Tax Return

SS No. or Fed. EI No.

- 1. Enter the amount of credit allocated by the State Energy Office 1. \$ _____
- 2. Enter your current year tax liability 2. \$ _____
- 3. Enter the lesser of line 1 or line 2. This is your credit for the current year. Enter this amount on the appropriate tax credit schedule 3. \$ _____

General Information

For tax years beginning after 2007 and before 2012, Code Section 12-6-3631 provides a corporate or individual income tax credit for 25% of qualified expenditures for research and development. A taxpayer's total credit in all years is limited to \$100,000. Unused credit may be carried forward for 5 years.

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.

Certification by the State Energy Office

Each taxpayer must submit a request for credit to the State Energy Office by January 31st for qualifying research expenses incurred in the previous calendar year. The Office's form for requesting credit is available at energy.sc.gov or by calling 800-851-8899. The State Energy Office will notify the taxpayer that the submitted expenditures qualify for the credit and the amount of credit allocated to such taxpayer by March 1st of that year. A taxpayer may claim the allocated amount of the credit for its tax year that includes December 31st of the previous calendar year. The Department of Revenue may require any documentation that it deems necessary to administer the credit.

Attach the State Energy Office letter of certification or keep with your tax records if filing electronically.

The period from July 1, 2008 through December 31, 2009

For the fiscal year beginning July 1, 2008, the maximum amount of credit is based on an 18-month period from July 1, 2008 through December 31, 2009. The taxpayer must apply to the State Energy Office by January 31, 2010. The credit for that period applies to its tax year that includes the date December 31, 2009.

Attach the State Energy Office letter of certification or keep with your tax records if filing electronically.

Definitions

"Qualified expenditures for research and development" means expenditures to develop feedstocks and processes for cellulosic ethanol and for algae-derived biodiesel, including:

- (a) enzymes and catalysts involving cellulosic ethanol and algae-derived biodiesel;
- (b) best and most cost efficient feedstocks for South Carolina; or

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

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

Social Security Privacy Act Disclosure

It is mandatory that you provide your social security number on this tax form if you are an individual taxpayer. 42 U.S.C 405(c)(2)(C)(i) permits a state to use an individual's social security number as means of identification in administration of any tax. SC Regulation 117-201 mandates that any person required to make a return to the SC Department of Revenue shall provide identifying numbers, as prescribed, for securing proper identification. Your social security number is used for identification purposes.

The Family Privacy Protection Act

Under the Family Privacy Protection Act, the collection of personal information from citizens by the Department of Revenue is limited to the information necessary for the Department to fulfill its statutory duties. In most instances, once this information is collected by the Department, it is protected by law from public disclosure. In those situations where public disclosure is not prohibited, the Family Privacy Protection Act prevents such information from being used by third parties for commercial solicitation purposes.