



STATE OF SOUTH CAROLINA  
DEPARTMENT OF REVENUE  
**BIOMASS RESOURCE  
CREDIT**  
Attach to your Income Tax Return

**SC SCH.TC-50**  
(Rev. 11/18/08)  
3440  
**2008**

Name As Shown On Tax Return

Fed. EI No.

- 1. Enter the amount of credit indicated by the State Energy Office ..... 1. \$ \_\_\_\_\_
- 2. Credit carried forward from previous years ..... 2. \$ \_\_\_\_\_  
(Unused credits may be carried forward for 15 years.)
- 3. Add lines 1 and 2 ..... 3. \$ \_\_\_\_\_
- 4. Annual credit limit ..... 4. \$ **\$650,000.00**
- 5. Enter your current year tax liability ..... 5. \$ \_\_\_\_\_
- 6. Enter the smallest of lines 3, 4 and 5 ..... 6. \$ \_\_\_\_\_  
This is the amount of credit you may use in the current year.
- 7. Line 3 minus line 6 ..... 7. \$ \_\_\_\_\_  
Unused credits may be carried forward for 15 years.

**General Information**

For tax years beginning after 2007 and ending before 2020, Code Section 12-6-3620 provides a credit against corporate income tax and license fees for 25% of the costs incurred by a taxpayer for the purchase and installation of equipment used to create heat, power, steam, electricity or another form of energy for commercial use from a fuel consisting of no less than 90% biomass resource.

Costs incurred by the taxpayer must be certified by the State Energy Office. The Office may consult with the Department of Agriculture and the South Carolina Institute for Energy Studies on standards for certifying the costs incurred by the taxpayer. The credit may be claimed in the year in which the equipment is placed in service and may be claimed for all expenditures incurred for the purchase and installation of the equipment.

A taxpayer may use up to \$650,000 of credit for a single tax year. Unused credit may be carried forward for 15 years.

If the equipment ceases to use biomass resources as its primary fuel source before the entire credit has been utilized, the taxpayer is ineligible to utilize any remaining credit until it resumes using biomass resources as its primary fuel source (at least 90%). The 15-year carry forward period is not extended because of periods of noncompliance.

**Certification by the State Energy Office**

Each taxpayer must submit a request for credit to the State Energy Office by January 31st for all qualifying equipment placed in service in the previous calendar year. The Office's form for requesting credit is available at [energy.sc.gov](http://energy.sc.gov) or by calling 800-851-8899. The Office will notify the taxpayer that it qualifies for the credit and the amount of credit allocated to the taxpayer by March 1st of that year. The taxpayer may claim the allocated amount of 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**

"Biomass resource" means noncommercial wood, by-products of wood processing, demolition debris containing wood, agricultural waste, animal waste, sewage, landfill gas, and other organic materials, not including fossil fuels.

"Commercial use" means a use intended for the purpose of generating a profit.