



STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
**APPLICATION FOR
RENEWABLE FUELS
TAX CREDITS**
Attach to your Income Tax Return

SC SCH.TC-41A
(Rev. 12/14/07)
3451
2008

Name As Shown On Tax Return				SS No. or Fed EI No.	
Mailing Address				Contact Person	
Street				Contact Person's Title	
City	County	State	ZIP	Telephone Number	
Physical Address				()	
Street				Fax Number	
City	County	State	ZIP	()	
				Email	

Complete a separate TC-41A for each facility.
All applications must be submitted by July 15, 2008.

1. Number of facilities qualifying for these credits (Complete a separate TC-41A for each.)..... 1. _____

Production property credit

2. Enter the amount of costs incurred by you in constructing or renovating a building and equipping a facility in this State in order to produce renewable fuel..... 2. \$ _____

3. Multiply line 2 by 25% (0.25). This is the tentative amount of your production property credit..... 3. \$ _____

Distribution and dispensing property credit

4. Enter the amount of costs incurred by you in purchasing or constructing and installing property used for distribution or dispensing renewable fuel at a new or existing commercial fuel distribution or dispensing facility in this State 4. \$ _____

5. Multiply line 4 by 25% (0.25). This is the tentative amount of your distribution and dispensing property credit 5. \$ _____

Date

Signature of Officer (or other appropriate official)

**Mail To: SC Department of Revenue
Research & Review
Columbia, SC 29214-0019**

Print Officer's Name

Title

NOTE: The amounts on lines 3 and 5 are the maximum amount of credit possible. The total production property credit for one taxpayer for all years is limited to \$1,000,000. The total amount of credit for all eligible claims for a fiscal year is limited to \$150,000. The Department of Revenue will determine the actual credit amount after the deadline for filing claims. The Department will then notify each taxpayer of the amount of credit allowed. Unused credit may be carried forward for 10 years.

Purpose of Application

SC SCH. TC-41 provides credits for placing in service renewable fuels property. You must complete SC SCH. TC-41A to apply for the credits before claiming them. The total amount of credit for a fiscal year may not exceed \$150,000. The fiscal year runs from July 1 through June 30 of the following calendar year. If the fiscal year limit is exceeded, credits will apply proportionately among eligible claimants. All claims for tax years beginning between January 1, 2007 and June 30, 2007 must be filed by July 15, 2008.

General Information

I. Production property credit

For facilities placed in service after 2006, but repealed effective for facilities placed in service after 2011, a taxpayer that constructs and places in service in this State a commercial facility for the production of renewable fuel is allowed a credit of 25% of the cost to the taxpayer of constructing or renovating a building and equipping the facility for the purpose of producing renewable fuel.

The entire credit may not be taken for the taxable year in which the facility is placed in service but must be taken in seven equal annual installments beginning with the taxable year in which the facility is placed in service. If the facility is disposed of or taken out of service during the first seven years, the credit expires and the taxpayer may not take any remaining installment of the credit.

A taxpayer's total credit in all years is limited to \$1,000,000.

The unused portion of an unexpired credit may be carried forward for 10 years.

Production property definitions

For purposes of the production property credit, renewable fuel means liquid nonpetroleum based fuels that can be placed in motor vehicle fuel tanks and used as a fuel in a highway vehicle. It includes all forms of fuel commonly or commercially known or sold as biodiesel and ethanol.

Production of renewable fuel includes intermediate steps such as milling, crushing, and handling of feedstock and the distillation and manufacturing of the final product.

II. Distribution and dispensing property credit

For facilities placed in service after 2006, but repealed effective for facilities placed in service after 2011, a taxpayer that purchases or constructs and installs and places in service in this State property used for distribution or dispensing renewable fuel at a new or existing commercial fuel distribution or dispensing facility is allowed a credit of 25% of the cost to the taxpayer of purchasing, constructing, and installing the property against the taxpayer's liability for a tax imposed pursuant to this chapter. A taxpayer qualifies for this credit if the equipment used to store, distribute, or dispense renewable fuel is labeled for this purpose and clearly identified as associated with renewable fuel.

The entire credit may not be taken for the taxable year in which the property is placed in service but must be taken in three equal annual installments beginning with the taxable year in which the property is placed in service.

If, in one of the years in which the installment of a credit accrues, property directly and exclusively used for distributing, dispensing, or storing renewable fuel is disposed of or taken out of service and is not replaced, so that the facility no longer distributes, dispenses, or stores renewable fuel, the credit expires and the taxpayer may not take any remaining installment of the credit.

The unused portion of an unexpired credit may be carried forward for 10 years.

Distribution and dispensing property definitions

For purposes of the distribution and dispensing property credit, Renewable fuel means E70 or greater ethanol fuel dispensed at the retail level for use in motor vehicles and pure ethanol or biodiesel fuel dispensed by a distributor or facility that blends these nonpetroleum liquids with gasoline fuel or diesel fuel for use in motor vehicles.

Eligible property includes pumps, storage tanks, and related equipment that is directly and exclusively used for distribution, dispensing or storing renewable fuel.

III. Limits on renewable fuel credits

A taxpayer that claims any other credit provided in the Credits Article of the South Carolina Income Tax Act (Title 12, Chapter 6, Article 25) with respect to the costs of constructing and installing a facility may not claim the credit allowed in this section with respect to the same costs.

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.