



BIOFUEL PRODUCTION AND USE TAX CREDIT WORKSHEET FOR TAX YEAR 2012 36 M.R.S.A. § 5219-X

TAXPAYER NAME: _____ EIN/SSN: _____

Note: Owners of pass-through entities (partnerships, LLCs, S corporations, trusts, etc.) making an eligible investment, see instructions. Enter name and ID number of the entity on the lines below.

NAME OF PASS-THROUGH ENTITY

EIN/SSN

1. Tax liability:

- a. Maine taxable income generated from the production of certified biofuel \$ _____
- b. Multiplied by the applicable tax rate on Maine taxable income _____ %
- c. Enter result here 1. _____

2. Credit claimed:

- a. Gallons of biofuel eligible for the credit _____
- b. Multiplied by the credit rate \$ 0.05
- c. Enter result here 2. _____

3. Credit carried forward from prior years 3. _____

4. Credit available (add line 2c and line 3)..... 4. _____

5. Credit this year: Enter the smaller of line 1c or line 4. Enter here and on Form 1120ME, Schedule C, line 29n or Form 1040ME, Schedule A, line 18..... 5. _____

Unused credit amounts may be carried forward to the next succeeding ten taxable years.

2012
BIOFUEL PRODUCTION AND USE TAX CREDIT
WORKSHEET INSTRUCTIONS

A taxpayer engaged in the production of certified biofuel in Maine is allowed a credit of \$0.05 per gallon against the tax imposed on income derived during the taxable year from the production of that biofuel. When certified biofuel is blended with petroleum or other non-biofuels, the credit allowed will be limited to the portion of that blend that constitutes biofuel. The credit allowed, including carryovers, may not reduce the tax liability otherwise due to less than zero. A person entitled to a credit for any taxable year may carry forward and apply the portion of any unused credit to the tax liability on income derived from the production of biofuel for any one or more of the next ten taxable years.

The term "biofuel" means any liquid or gaseous product or energy source used as a substitute for liquid or gaseous fuels that is derived from agricultural crops or residues or from forest products or by-products, as distinct from petroleum or other fossil carbon sources. Biofuel includes, but is not limited to, ethanol, methanol derived from biomass, levulinic acid, biodiesel, pyrolysis oils from wood, hydrogen or methane from biomass, or combinations of any of the above that may be used to propel motor vehicles either alone or in blends with conventional gasoline or diesel fuels or that may be used in place of petroleum products in whole or in part to fire heating devices or any stationary power device.

To be eligible for this tax credit, the biofuel must have been produced in tax year 2012, meet state and federal regulatory requirements, and be certified by the Commissioner of the Department of Environmental Protection ("DEP"). A taxpayer must apply to DEP for biofuel certification. Details about certification requirements and applications may be obtained from the Maine Department of Environmental Protection, Bureau of Air Quality, Mobile Sources Section. Contact the Mobile Sources Section by telephone at (207) 287-2437 or access the Bureau of Air Quality web site at www.maine.gov/dep/air, select Programs, and then select Mobile Sources.

The certification of biofuel eligible for the tax credit that is issued by DEP will include the taxpayer's name, address, tax identification number (either social security number or employer identification number) and the quantity of eligible biofuel produced. A copy of the certification must be submitted with an income tax return on which a biofuel production and use tax credit is claimed.

In the case of pass-through entities (partnerships, LLCs, S corporations, trusts, etc.), the partners, members, shareholders, beneficiaries or other owners are allowed a credit in proportion to their respective interest in these entities.

SPECIFIC LINE INSTRUCTIONS

Please enter taxpayer name and employer identification number ("EIN") or social security number ("SSN").

- Line 1. Multiply the Maine taxable income generated by the sale of certified biofuels by the applicable tax rate. To calculate the applicable tax rate, divide the gross tax liability (Form 1120ME, Line 6 or Form 1040ME, Line 20) by the taxable income shown on your return (Form 1120ME, Line 5 or Form 1040ME, Line 19).
- Line 2. Multiply the number of gallons of certified biofuel produced (from the certification of biofuel eligible for the tax credit issued by DEP) by \$0.05.
- Line 3. Enter any tax credit amount claimed but unused from the past ten years.
- Line 4. The credit available is the amount calculated for this year plus carryforward amounts.
- Line 5. Enter the credit amount being used this tax year. The amount used is limited to the tax liability generated by the production of certified biofuel.