

15.319 Renewable chemical production tax credit.

1. An eligible business that has entered into an agreement pursuant to [section 15.318](#) may claim a tax credit in an amount equal to the product of five cents multiplied by the number of pounds of renewable chemicals produced in this state from biomass feedstock by the eligible business during the calendar year in excess of the eligible business's pre-eligibility production threshold. However, an eligible business shall not receive a tax credit for the production of a secondarily derived building block chemical if that chemical is also the subject of a credit at the time of production as a first product. The renewable chemical production tax credit shall not be available for any renewable chemical produced before the 2017 calendar year or after the 2035 calendar year.

2. The tax credit shall be allowed against taxes imposed under [chapter 422, subchapter II](#) or [III](#).

3. The tax credit shall be claimed for the tax year during which the eligible business was issued the tax credit.

4. An individual may claim a tax credit under [this section](#) of a partnership, limited liability company, S corporation, cooperative organized under [chapter 501](#) and filing as a partnership for federal tax purposes, estate, or trust electing to have income taxed directly to the individual. The amount claimed by the individual shall be based upon the pro rata share of the individual's earnings from the partnership, limited liability company, S corporation, cooperative, estate, or trust.

5. Any tax credit in excess of the tax liability is refundable. In lieu of claiming a refund, the taxpayer may elect to have the overpayment shown on the taxpayer's final, completed return credited to the tax liability for the following tax year.

6. *a.* To claim a tax credit under [this section](#), a taxpayer shall include one or more tax credit certificates with the taxpayer's tax return.

b. The tax credit certificate shall contain the taxpayer's name, address, tax identification number, the amount of the credit, the name of the eligible business, and any other information required by the department of revenue.

c. The tax credit certificate, unless rescinded by the authority, shall be accepted by the department of revenue as payment for taxes imposed pursuant to [chapter 422, subchapters II and III](#), subject to any conditions or restrictions placed by the authority upon the face of the tax credit certificate and subject to the limitations of the program.

d. Tax credit certificates issued pursuant to [this section](#) shall not be transferred to any other person.

[2016 Acts, ch 1065, §8, 15, 16; 2020 Acts, ch 1062, §94; 2023 Acts, ch 116, §6](#)

Referred to in [§2.48, 15.119, 15.318, 15.322, 422.10B, 422.33](#)

For future repeal of this section effective July 1, 2039, see [§15.322](#)

Subsection 1 amended