



ETC-40 Ethanol or Biodiesel Production Credit

Section 12-6-3600, SC Code of Laws

Tax Credit for Ethanol and Biodiesel Production

Eligibility Requirements

Beginning January 1, 2017, a new facility, a facility which has not received credits before 2017, **or** the expansion of the capacity of an existing facility are eligible to receive a credit against the tax Corporate or Individual Income Tax. To obtain the credit pursuant to subsection C of Section 12-6-3600, SC Code of Laws, applicants must verify that all eligibility requirements are met.

Eligibility Requirements for a NEW FACILITY:

1. Production facility was first placed in service after January 1, 2017.
 2. Production facility did **not** receive credits prior to January 1, 2017.
 3. Claimed ethanol or biodiesel is **not** produced or sold for the use of distilled spirits.
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Eligibility Requirements for an EXISTING FACILITY, NEW APPLICANT:

1. Existing facility that did **not** receive credit prior to January 1, 2017
 2. Claimed ethanol or biodiesel is **not** produced or sold for the use of distilled spirits.
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Eligibility Requirements for the EXPANSION OF THE CAPACITY OF AN EXISTING FACILITY:

1. The expansion of the capacity was certified by the design engineer of the facility.
2. Expansion of the capacity was by at **least** two million gallons first placed into service after 2016.
3. Annual production is in excess of **twelve times** the three-month average during any twelve-consecutive-month period beginning no sooner than January 1, 2017.
4. Claimed ethanol or biodiesel is **not** produced or sold for the use of distilled spirits.

For more information, visit ENERGY.SC.GOV.