

# DEPARTMENT OF TAXATION

## 2011 Fiscal Impact Statement

1. **Patron** Patricia S. Ticer

2. **Bill Number** SB 1236

3. **Committee** Senate Finance

**House of Origin:**

  X   **Introduced**

       **Substitute**

       **Engrossed**

4. **Title** Income Tax: Clean Fuel Vehicle and  
Advanced Cellulosic Biofuels Job Creation  
Tax Credit

**Second House:**

       **In Committee**

       **Substitute**

       **Enrolled**

**5. Summary/Purpose:**

This bill would extend the sunset date for the Clean Fuel Vehicle and Advanced Cellulosic Biofuels Job Creation Tax Credit from taxable years beginning on and before December 31, 2011 to taxable years beginning on and before December 31, 2016.

The effective date of this bill is not specified.

6. **Budget amendment necessary:** No.

7. **Fiscal Impact Estimates are:** Not provided. (See Line 8.)

**8. Fiscal implications:**

Administrative Costs

The Department of Taxation considers implementation of this bill as routine, and does not require additional funding.

Revenue Impact

Extension of existing tax credits is assumed in the revenue forecast. Therefore, passage of this bill would have no impact on General Fund revenues.

**9. Specific agency or political subdivisions affected:**

Department of Taxation

10. **Technical amendment necessary:** None.

## 11. Other comments:

### Current Law

Under the Clean Fuel Vehicle and Advanced Cellulosic Biofuels Job Creation Tax Credit, a corporation is eligible for a credit against the corporate income tax equal to \$700 for each job which is created in either:

- the manufacture of the major components of the energy storage, energy supply, or engine, motor, and power train mechanisms unique to a vehicle fueled by clean special fuels;
- the manufacture of components uniquely used to convert vehicles designed to operate on gasoline or diesel fuel to operate on clean special fuels or advanced biofuels;
- the conversion of vehicles designed to operate on gasoline or diesel fuel to operate on clean special fuels or advanced biofuels;
- the manufacture of vehicles designed to operate on clean special fuels;
- the manufacture of components designed to produce, store, and dispense clean special fuels or advanced biofuels; or
- the production of advanced biofuels.

This credit is set to sunset on December 31, 2011.

### Proposed Change

Under this bill, the sunset of the Clean Fuel Vehicle and Advanced Cellulosic Biofuels Job Creation Tax Credit would be extended through taxable years beginning on and before December 31, 2016.

The effective date of this bill is not specified.

### Similar Bills

**Senate Bill 1404** is identical to this bill.

**House Bill 2308** would create an individual income tax credit equal to \$2,000 for the purchase of certain motor vehicle that use clean fuel or electric for propulsion.

**Senate Bill 1101** would create an income tax credit for qualified property that is placed in service and is part of an electric energy facility producing electricity primarily from agricultural livestock waste nutrients.

cc : Secretary of Finance

Date: 1/23/2011 dtm  
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