

SENATE No. 1261

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act establishing a woody biomass tax credit..

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 63 of the General Laws is hereby amended by inserting after
2 Section 38H the following new section:-

3 Section 63H 1/2. Alternative energy sources; credit.

4 Section 63H 1/2. A domestic or foreign corporation, association or organization shall be
5 allowed a credit against its excise due under this chapter equal to 20 dollars per ton of harvested
6 and processed woody biomass. Said credit shall only be available for the harvesting of woody
7 biomass on land for which the collection of woody biomass is a sustainable use, and when said
8 biomass is provided to biomass and biofuel facilities located in Massachusetts as a renewable
9 source of energy. Said credit shall be eligible for sale or for transfer, and any corporation eligible
10 for said credit shall be allowed to use said credit in any of the three tax years following
11 harvesting of the woody biomass for which the credit is taken.

12 For the purposes of this section, “woody biomass” shall be defined as residue that results
13 from normal or preventive timber harvest or production, including but not limited to slash, saw

14 dust, shavings, edgings, slabs, leaves, bark, and timber thinnings, that would not otherwise be
15 used for higher-value products.

16 The Department of Revenue, in consultation with the Department of Conservation and
17 Recreation, shall issue regulations to implement this section.

18 SECTION 2. Chapter 61 of the General Laws is hereby amended by inserting after
19 Section 8 the following new section:-

20 Section 9. Alternative energy sources; credit.

21 Section 9. An owner shall be allowed a credit against its excise due under this chapter
22 equal to 20 dollars per ton of harvested and processed woody biomass. Said credit shall only be
23 available for the harvesting of woody biomass on land for which the collection of woody
24 biomass is a sustainable use, and when said biomass is provided to biomass and biofuel facilities
25 located in Massachusetts as a renewable source of energy. Said credit shall be eligible for sale or
26 for transfer, and any owner eligible for said credit shall be allowed to use said credit in any of the
27 three tax years following harvesting of the woody biomass for which the credit is taken.

28 For the purposes of this section, “woody biomass” shall be defined as residue that results
29 from normal or preventive timber harvest or production, including but not limited to slash, saw
30 dust, shavings, edgings, slabs, leaves, bark, and timber thinnings, that would not otherwise be
31 used for higher-value products.

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33 Recreation, shall issue regulations to implement this section.