

SENATE No. 1319

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act Relative to Biofuels..

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 62 of the general laws, as appearing in the 2006 official edition, is
2 hereby amended by adding, after section 64 the following new section: -

3 Section 65. (A) There shall be allowed to any producer of biofuels as a credit against any
4 tax liability imposed under this chapter, a credit for each gallon of biofuel produced at a biofuel
5 plant on or after January 1, 2009, equal to 15 cents per gallon after the production of the first
6 40,000 gallons per year presented to market. The credit under this section shall be capped at
7 \$2,500,000 dollars per taxpayer per taxable year for up to no more than four consecutive taxable
8 years per biofuel plant.

9 (B) A taxpayer engaged in the production of biofuels who is claiming a credit under this
10 section shall provide information to the commissioner of the department of environmental
11 protection regarding the biofuel being produced, including the quantity of biofuel products, the
12 type of raw material being utilized, the nature and composition of the biofuel being produced, the
13 proportion and composition of any non-biofuel with which the biofuel is blended, the heating
14 value of the biofuel as compared to the BTU value of one gallon of gasoline and the type of

application for which it is intended to be used. Upon review of the information, the commissioner of the department of environmental protection shall provide the taxpayer with a letter of certification stating that the biofuel produced during the taxable year is eligible for a tax credit under this section and stating the number of gallons of biofuel produced during the taxable year.

SECTION 2. For the purposes of Section 3, “Clean Alternative Fuel Vehicle” shall mean any new passenger vehicle or light-duty truck certified by the commissioner of the department of environmental protection to run on a clean alternative fuel. Clean alternative vehicles include, but are not limited to the following:

(1) Hybrid vehicles

(2) Plug-in electric hybrid vehicles with a minimum of 20 miles all electric range or that meet minimum specifications established by the Department of Energy Resources.

(3) Flexible fuel vehicles (FFVs).

(4) Compressed natural gas (CNG) vehicles.

(5) Liquid propane gas (LPG) vehicles.

(6) Hydrogen fuel cell vehicles (HFCVs).

SECTION 3. The commissioner shall develop, and by January 1, 2010, adopt, regulations that shall become operative no later than January 1, 2011, that will ensure that, commencing January 1, 2015, one-half of new passenger vehicles and light-duty trucks sold in the commonwealth are alternative fuel vehicles.

35 In developing these regulations, the commissioner shall do the following:

36 (1) Consider the technological and economic feasibility of the regulations.

37 (2) Develop and enforce compliance options for eligible clean alternative vehicles.

38 (3) Ensure, to the extent technologically and economically feasible, that a clean
39 alternative fuel is made available statewide at retail outlets whenever the commissioner
40 determines that a sufficient number of motor vehicles certified by the commissioner to
41 run on that fuel has been reached.

42 The regulations adopted pursuant to this section shall apply only to a motor vehicle
43 manufactured after December 31, 2011.