**A** **BILL**

TO AMEND SECTION 12‑6‑3600, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE STATE INCOME TAX CREDIT ALLOWED FOR ETHANOL AND BIODIESEL FACILITIES, SO AS TO EXTEND FOR FOUR YEARS THROUGH 2020 THE TAXABLE YEARS IN WHICH THE CREDIT IS ALLOWED FOR CORN‑BASED ETHANOL AND SOY‑BASED BIODIESEL AND TO EXTEND THROUGH 2020 THE TIME IN WHICH THE FACILITY MUST MEET THE MINIMUM CAPACITY REQUIREMENTS TO BE ELIGIBLE FOR THE CREDIT AND TO PROHIBIT A DOUBLE CREDIT.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 12‑6‑3600(A)(1) of the 1976 Code, as last amended by Act 261 of 2008, is further amended to read:

“(1) For taxable years beginning after 2006, and before ~~2017~~ 2021, there is allowed a credit against the tax imposed pursuant to this chapter for any corn‑based ethanol or soy‑based biodiesel facility which is in production at the rate of at least twenty‑five percent of its name plate design capacity for the production of corn‑based ethanol or soy‑based biodiesel, before denaturing, on or before December 31, ~~2011~~ 2016. The credit equals twenty cents a gallon of corn‑based ethanol or soy‑based biodiesel produced and is allowed for sixty months beginning with the first month for which the facility is eligible to receive the credit and ending not later than December 31, ~~2016~~ 2020. The taxpayer is eligible to claim the credit after the facility has six consecutive months of operation at an average production rate of at least twenty‑five percent of its name plate design capacity. In the first taxable year in which the taxpayer is eligible to claim the credit, the taxpayer may claim the credit for the first six months it met the requirements in addition to qualifying production during its current taxable year. Capacity giving rise to the credit allowed by this subsection is not considered new production for purposes of the credit allowed pursuant to subsection (C) of this section.”

SECTION 2. This act takes effect upon approval by the Governor.

‑‑‑‑XX‑‑‑‑