



**Biodiesel Blended Fuel Tax Credit**

**This is not a motor fuel tax credit or refund form. It is an income tax form.  
Attach a copy to your Iowa individual or corporation income tax return.**

Name(s) of Individual(s) or C Corporation	Social Security No.
Name of Partnership, S Corporation, LLC, Estate or Trust (if applicable)	Federal ID No.

**Tax Period Ending:**

- Total diesel fuel gallons, including biodiesel fuel gallons, sold through motor fuel pumps in Iowa during the tax year. (include all diesel fuel and biodiesel fuel gallons) ..... 1. \_\_\_\_\_
  - Total biodiesel fuel gallons sold through motor fuel pumps in Iowa during the tax year containing a minimum of 2% biodiesel ..... 2. \_\_\_\_\_
  - Divide line 2 by line 1 and enter the percentage here ..... 3. \_\_\_\_\_ %
- If line 3 is less than 50%, STOP. You are not eligible for the credit. If line 3 equals or exceeds 50%, continue to line 4.**
- Enter amount from line 2 ..... 4. \_\_\_\_\_
  - Total biodiesel blended fuel tax credit  
Multiply line 4 by .03 (three cents)  
Enter the result here and on the IA 148 Tax Credits Schedule ..... 5. \_\_\_\_\_

**INSTRUCTIONS**

Beginning January 1, 2006, a biodiesel blended fuel tax credit is available to retail dealers of diesel fuel who operate motor fuel pumps at a retail motor fuel site. Tank wagons are considered retail motor fuel sites. To qualify for the tax credit, 50 percent or more of the total gallons of diesel fuel sold by the dealer through motor fuel pumps in Iowa must be biodiesel fuel containing a minimum percentage of two percent by volume of biodiesel.

The amount of credit is three cents multiplied by the total number of gallons of biodiesel blended fuel sold during the tax year. For retail dealers of diesel fuel whose tax year ends before December 31, 2006, the retail dealer will compute the tax credit on the number of gallons of biodiesel fuel sold during the period from January 1, 2006 through the end of the tax year, provided that 50 percent or more of all diesel fuel sold during that period was biodiesel.

**Any credit in excess of the tax liability can be refunded.** In lieu of the refund, taxpayer may elect to have the overpayment credited to the tax liability for the following year. In addition, if the taxpayer is a partnership, limited liability company, S corporation, estate or trust, the credit must be allocated to the individual owners in the ratio of each owner's share of the earnings of the entity to the entity's total earnings.