

**2012 Environmental Tax Credit****3511**

Attach to your California tax return.

Name(s) as shown on your California tax return

☐ SSN or ITIN ☐ Corporation no. ☐ FEIN

California Secretary of State file number

**Part I Current Year Credit**

| <b>1</b>      | Ultra low sulfur diesel fuel produced (in gallons). See instructions .....  | <b>1</b>      |                                |             |                     |             |                    |         |                    |        |                    |          |    |
|---------------|---|---------------|--------------------------------|-------------|---------------------|-------------|--------------------|---------|--------------------|--------|--------------------|----------|----|
| <b>2</b>      | Multiply line 1 by 5 cents (.05) .....  | <b>2</b>      | 00                             |             |                     |             |                    |         |                    |        |                    |          |    |
| <b>3</b>      | Qualified capital costs limitation. See instructions .....  | <b>3</b>      | 00                             |             |                     |             |                    |         |                    |        |                    |          |    |
| <b>4</b>      | Total ultra low sulfur diesel fuel production credits allowed for all prior taxable years .....   | <b>4</b>      | 00                             |             |                     |             |                    |         |                    |        |                    |          |    |
| <b>5</b>      | Subtract line 4 from line 3. ....   | <b>5</b>      | 00                             |             |                     |             |                    |         |                    |        |                    |          |    |
| <b>6</b>      | Enter the smaller of line 5 or line 2. ....   | <b>6</b>      | 00                             |             |                     |             |                    |         |                    |        |                    |          |    |
| <b>7</b>      | Ultra low sulfur diesel fuel production credits from pass-through entities:   |               |                                |             |                     |             |                    |         |                    |        |                    |          |    |
|               | <table border="1"> <thead> <tr> <th>If you are a:</th> <th>Then enter the credit(s) from:</th> </tr> </thead> <tbody> <tr> <td>Shareholder</td> <td>Schedule K-1 (100S)</td> </tr> <tr> <td>Beneficiary</td> <td>Schedule K-1 (541)</td> </tr> <tr> <td>Partner</td> <td>Schedule K-1 (565)</td> </tr> <tr> <td>Member</td> <td>Schedule K-1 (568)</td> </tr> </tbody> </table> | If you are a: | Then enter the credit(s) from: | Shareholder | Schedule K-1 (100S) | Beneficiary | Schedule K-1 (541) | Partner | Schedule K-1 (565) | Member | Schedule K-1 (568) | <b>7</b> | 00 |
| If you are a: | Then enter the credit(s) from:  |               |                                |             |                     |             |                    |         |                    |        |                    |          |    |
| Shareholder   | Schedule K-1 (100S)   |               |                                |             |                     |             |                    |         |                    |        |                    |          |    |
| Beneficiary   | Schedule K-1 (541)  |               |                                |             |                     |             |                    |         |                    |        |                    |          |    |
| Partner       | Schedule K-1 (565)  |               |                                |             |                     |             |                    |         |                    |        |                    |          |    |
| Member        | Schedule K-1 (568)  |               |                                |             |                     |             |                    |         |                    |        |                    |          |    |
| <b>8</b>      | <b>Current year credit.</b> Add line 6 and line 7. ....   | <b>8</b>      | 00                             |             |                     |             |                    |         |                    |        |                    |          |    |
| <b>9</b>      | Credit carryover from prior year(s). See instructions. ....   | <b>9</b>      | 00                             |             |                     |             |                    |         |                    |        |                    |          |    |
| <b>10</b>     | Total available environmental tax credit. Add line 8 and line 9. ....   | <b>10</b>     | 00                             |             |                     |             |                    |         |                    |        |                    |          |    |
| <b>11a</b>    | Enter the amount of the credit claimed on the current year tax return. See instructions.<br>(Do not include any assigned credit claimed on form FTB 3544A.) .....   | <b>11a</b>    | 00                             |             |                     |             |                    |         |                    |        |                    |          |    |
|               | This amount may be less than the amount on line 10 if your credit is limited by tentative minimum tax or your tax liability.  |               |                                |             |                     |             |                    |         |                    |        |                    |          |    |
| <b>11b</b>    | Total credit assigned to other corporations within combined reporting group from<br>form FTB 3544, column (g). See instructions. ....   | <b>11b</b>    | 00                             |             |                     |             |                    |         |                    |        |                    |          |    |
| <b>12</b>     | Credit carryover available for future years. Add line 11a and line 11b, subtract the result from line 10 ....   | <b>12</b>     | 00                             |             |                     |             |                    |         |                    |        |                    |          |    |

**Part II Credit Recapture**

|           |  |           |    |
|-----------|--|-----------|----|
| <b>13</b> | Credit Recapture. See instructions ..... | <b>13</b> | 00 |
|-----------|--|-----------|----|

**General Information****A Purpose**

Use form FTB 3511, Environmental Tax Credit, to figure the credit for ultra low sulfur diesel fuel produced by a small refiner located in California. Also use this form to claim pass-through environmental tax credits, received from S corporations, estates or trusts, partnerships, or limited liability companies (LLCs) classified as partnerships, for ultra low sulfur diesel fuel produced by a small refiner located in California.

S corporations, estates or trusts, partnerships, and LLCs classified as partnerships should complete form FTB 3511 to figure the amount of credit to pass through to shareholders, beneficiaries, partners, or members. Attach this form to Form 100S, California S Corporation Franchise or Income Tax Return; Form 541, California Fiduciary Income Tax Return; Form 565, Partnership Return of Income; or Form 568, Limited Liability Company Return of Income. Show the pass-through credit for each shareholder, beneficiary, partner, or member on Schedule K-1 (100S, 541, 565, or 568), Share of Income, Deductions, Credits, etc.

**B Description**

The California environmental tax credit is available for each taxable year beginning on or after July 1, 2005, and before January 1, 2018. The environmental tax credit is equal to five cents (\$0.05) for each gallon of ultra low sulfur diesel fuel produced during the taxable year by a small refiner at any facility located in California. The aggregate credit for any taxable year with respect to the facility cannot exceed 25% of the qualified capital costs incurred by the small refiner reduced by the aggregate credits for all prior taxable years.

**C Qualifications**

To qualify for this credit, a small refiner must request from the California Air Resources Board (CARB) a certification that both of the following are true:

- The items for which qualified capital costs were paid or incurred are for compliance with the applicable Environmental Protection Agency (EPA) or CARB regulations.
- The small refiner placed the items, for which qualified capital costs were paid or incurred, in service.

**D Definitions**

- 1. Ultra low sulfur diesel fuel** – includes the following:
  - Diesel fuel with a sulfur content of 15 parts per million or less.
  - Vehicular diesel fuel produced and sold by a small refiner on or after June 1, 2006. Or, if sold before June 1, 2006, the refiner specifically identifies and supports through internal test reports as meeting applicable CARB regulations.
- 2. Small refiner** is any refiner who owns or operates a refinery in California that:
  - Has had at all times since January 1, 1978, a crude oil capacity of not more than 55,000 barrels per stream day.
  - Has not been at any time since September 1, 1988, owned or controlled by any refiner that at the same time owned or controlled refineries in California with a total combined crude oil capacity of more than 55,000 barrels per stream day.