

IDAHO BIOFUEL INFRASTRUCTURE INVESTMENT TAX CREDIT

2011

Name(s) as shown on return

Social Security Number or EIN

CREDIT AVAILABLE SUBJECT TO LIMITATION

1. a. Amount of qualified investments in biofuel infrastructure placed in service during the tax year. Include a complete list of qualified investments.....	1a	
b. Amount of grant funding received for biofuel infrastructure included in line 1a	1b	
c. Subtract line 1b from line 1a. This is the amount of qualified investments on which you may earn the biofuel infrastructure investment tax credit	1c	
2. Credit earned. Multiply line 1c by 6%	2	
3. Pass-through share of credit from a partnership, S corporation, estate or trust	3	
4. Credit received through unitary sharing. Include a schedule	4	
5. Carryover of biofuel infrastructure investment tax credit from prior years.....	5	
6. Carryover eliminated due to recapture in 2011. Enter the amount from Form 71R, line 13. Include Form 71R.....	6	
7. Credit distributed to partners, shareholders or beneficiaries.....	7	
8. Credit shared with unitary affiliates	8	
9. Total credit available subject to limitations. Add lines 2 through 5 and subtract lines 6 through 8.....	9	

CREDIT LIMITATIONS

10. Enter the Idaho income tax from your tax return.....	10	
11. Credit for tax paid to other states.....	11	
12. Credit for contributions to Idaho educational entities.....	12	
13. Investment tax credit	13	
14. Credit for contributions to Idaho youth and rehabilitation facilities.....	14	
15. Credit for production equipment using postconsumer waste.....	15	
16. Promoter sponsored event credit	16	
17. Credit for Idaho research activities	17	
18. Broadband equipment investment credit	18	
19. Incentive investment tax credit	19	
20. Small employer investment tax credit.....	20	
21. Small employer real property improvement credit	21	
22. Small employer new jobs tax credit	22	
23. Credit for live organ donation expenses	23	
24. Add lines 11 through 23	24	
25. Tax available after other credits. Subtract line 24 from line 10.....	25	
26. 50% of tax. Multiply line 10 by 50%	26	
27. Biofuel infrastructure investment tax credit available. Enter the amount from line 9.....	27	
28. Total credit allowed on current year tax return. Enter the smallest amount from lines 25, 26, or 27 here and on Form 44, Part I, line 10.....	28	

CREDIT CARRYOVER

29. Total credit available subject to limitations. Enter the amount from line 9.....	29	
30. Credit allowed. Enter the amount from line 28.....	30	
31. Credit carryover to future years. Subtract line 30 from line 29. Enter the amount here and on Form 44, Part I, line 10.....	31	

Instructions for Idaho Form 71

GENERAL INSTRUCTIONS

Form 71 is used to calculate the biofuel infrastructure investment tax credit (biofuel ITC) earned or allowed. Each member of a unitary group that earns or is allowed the credit must complete a separate Form 71.

If you placed property in service during the tax year that is used to sell biofuel in Idaho, you may be able to claim a 6% biofuel ITC. This credit is allowed instead of the regular 3% investment tax credit (ITC).

Qualifying Property

Qualified investment is the installation of new fueling infrastructure used to sell biofuel or offer biofuel for sale. Fueling infrastructure means:

- necessary tanks
- piping
- pumps, pump stands, and hoses
- monitors
- blending equipment
- meters
- rack injection systems
- any other equipment, including installation of equipment, necessary for a fuel distributor to offer biofuel to its customers or for a retail fuel outlet to offer biofuel for sale

The fueling infrastructure must be new property. Used property doesn't qualify. New property is property acquired or constructed by the taxpayer whose original use begins with the taxpayer after such acquisition or constructions. Original use means the first use to which the property is put, whether or not that corresponds to the use of the property by the taxpayer. Property used by the taxpayer prior to its acquisition doesn't qualify as new property.

Qualified investment also includes the costs to upgrade existing fueling infrastructure that is not compatible with biofuel. This includes the costs to clean existing fuel storage tanks, trucks, or other equipment for the purpose of providing biofuels.

The qualified investment must be located in Idaho.

Biofuel is any fuel offered for sale as a transportation fuel. It must be agriculturally derived and meet applicable American Society for Testing and Materials standards as required in Idaho Code section 37-2506. This includes ethanol, ethanol-blended fuel, biodiesel, and biodiesel blends.

Investment Tax Credit

If you claim the biofuel ITC, you can't claim the regular ITC on the same property.

Election to Claim Two-Year Property Tax Exemption and Forgo Investment Tax Credit

If you elected to exempt personal property from your property tax, you may not claim the biofuel ITC on the same property.

Unitary Sharing

A corporation included as a member of a unitary group of corporations may elect to share the biofuel ITC it earns but does not use with other members of the unitary group. The corporation must claim the credit to the extent allowable against its Idaho income tax before it can share the credit.

Carryover Periods

You may carry forward for five tax years biofuel ITC that was earned but not used against tax. For purposes of the carryover period, a short tax year counts as one tax year.

Recapture

You must compute recapture if you sell or otherwise dispose of the property or it ceases to qualify for the biofuel ITC before it has been in service for five full years.

File Form 71R to report recapture of the biofuel ITC.

SPECIFIC INSTRUCTIONS

Line 1a. Include a list of all property you placed in service during the tax year for which you are claiming the biofuel ITC. The list should identify each item of property, your basis in the item, and the date placed in service. Don't include any equipment that was disposed of, that ceased to qualify, or that was moved from Idaho before the end of the year.

Line 1b. Enter the amount of any biofuel infrastructure grants received for the project in which the qualified investments claimed on line 1a were acquired. You can't claim the credit on this amount.

Line 3. Enter the amount of biofuel ITC that is being passed through by partnerships, S corporations, estates, or trusts in which you have an interest. This amount is reported on Form ID K-1, Part D, line 7.

Line 4. If you are a member of a unitary group, enter the amount of credit you received from another member of the unitary group.

Line 5. Enter the carryover from your 2010 Form 71, line 31.

Line 7. If you are a partnership, S corporation, trust or estate, enter the amount of credit that passed through to partners, shareholders, or beneficiaries.

Line 8. If you are a member of a unitary group of corporations, enter the amount of credit you earned that you elect to share with other members of your unitary group. Before you can share your credit, you must use the credit up to the allowable limitation of your Idaho income tax.

Corporations claiming the biofuel ITC must provide a calculation of the credit earned and used by each member of the combined group. The schedule must clearly identify shared credit and the computation of any credit carryovers.

CREDIT LIMITATIONS

The biofuel ITC is limited to 50% of your Idaho income tax or the Idaho income tax after allowing all other tax credits that can be claimed before the biofuel ITC.

The following credits must be applied to the tax before the biofuel ITC:

1. Credit for tax paid to other states
2. Credit for contributions to Idaho educational entities
3. Investment tax credit
4. Credit for contributions to Idaho youth and rehabilitation facilities
5. Credit for production equipment using postconsumer waste
6. Promoter sponsored event credit
7. Credit for Idaho research activities
8. Broadband equipment investment credit
9. Incentive investment tax credit
10. Small employer ITC, real property improvement tax credit, and new jobs tax credit
11. Credit for live organ donation expenses

Line 10. Enter the amount of your Idaho income tax. This is the computed tax before adding the permanent building fund tax or any other taxes, or subtracting any credits.

Line 11. Enter the credit for tax paid to other states from Form 39R or Form 39NR. This credit is available only to individuals, estates, and trusts.

Line 12. Enter the credit for contributions to Idaho educational entities from the appropriate Idaho income tax return.

Line 13. Enter the investment tax credit allowed from Form 49, Part II, line 8.

Line 14. Enter the credit for contributions to Idaho youth and rehabilitation facilities from the appropriate Idaho income tax return.

Line 15. Enter the credit for production equipment using postconsumer waste from the appropriate Idaho income tax return.

Line 16. Enter the promoter sponsored event credit from the appropriate Idaho income tax return.

Line 17. Enter the credit allowed for Idaho research activities from Form 67, line 29.

Line 18. Enter the broadband equipment investment tax credit allowed from Form 68, line 18.

Line 19. Enter the incentive investment tax credit allowed from Form 69, line 16.

Line 20. Enter the small employer investment tax credit allowed from Form 83, line 28.

Line 21. Enter the small employer real property improvement tax credit allowed from Form 84, line 26.

Line 22. Enter the small employer new jobs tax credit allowed from Form 85, line 35.

Line 23. Enter the credit for live organ donation expenses from the appropriate Idaho income tax return.

Line 28. Enter the smallest amount from lines 25, 26, or 27 on line 28. Enter this amount on Form 44, Part I, line 10 in the Credit Allowed column.

CREDIT CARRYOVER

Line 31. The amount of credit available that exceeds the total credit allowed on the current year tax return may be carried forward up to five tax years. Enter this amount on Form 44, Part I, line 10, in the Carryover column.