

**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)	SSN or FEIN
Pass-through entity (if applicable). Attach a list if multiple pass-through entities.	Pass-through FEIN
Tax Period Ending	

Part I - Determination of Credit**Name and Address of Retail Motor Fuel Site:** _____

1. 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. _____
2. Total biodiesel fuel gallons sold through motor fuel pumps in Iowa during the tax year containing a minimum of 2% biodiesel.....2. _____
3. 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.
4. Enter gallons from line 2 sold through December 31, 2011.....4. _____
5. Multiply line 4 by .03 (three cents).....5. _____
6. Enter gallons from line 2 sold from January 1, 2012 through the end of the tax year that contain a minimum of 2% biodiesel, but less than 5% biodiesel (fiscal year filers only).....6. _____
7. Multiply line 6 by .02 (two cents) 7. _____
8. Enter gallons from line 2 sold from January 1, 2012 through the end of the tax year that contain a minimum of 5% biodiesel (fiscal year filers only)..... 8. _____
9. Multiply line 8 by .045 (four and one half cents)9. _____
10. Biodiesel blended fuel tax credit (add lines 5, 7 and 9)10. _____

Part II - Final Credit Calculation

1. Total Biodiesel Blended Fuel Tax Credit. Add all line 10's from all Part I's for retailers with multiple sites, or use line 10 from Part I above for single-site retailer.....1. _____
2. Pass-through tax credit from partnership, LLC, S corporation, estate, or trust.
Enter on Part II of the IA 148 Tax Credits Schedule and provide pass-through information on Part IV of the IA 148 Tax Credits Schedule.....2. _____

NOTE: Complete only one Part II.

2011 IA 8864 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.

Beginning January 1, 2009, this credit must be calculated separately for each retail motor fuel site operated by the taxpayer. To qualify for the tax credit, 50% or more of the gallons of diesel fuel sold by the dealer through motor fuel pumps at that retail motor fuel site in Iowa must be biodiesel fuel containing a minimum percentage of 2% by volume of biodiesel.

The amount of the credit is determined as follows: Three cents multiplied by the number of gallons sold during 2011, plus two cents multiplied by the number of gallons sold during 2012 that contain at least 2%, but less than 5% biodiesel (fiscal year filers only), plus four and one half cents multiplied by the number of gallons sold during 2012 that contain a minimum of 5% biodiesel (fiscal year filers only).

Part I of the IA 8864 should be completed for each retail motor fuel site. Complete Part II of the IA 8864 only once. Add the credit calculated for all retail motor fuel sites on line 10 of all Part I's and place on Part II line 1 of the IA 8864. If only one retail site, place line 10 of Part I on Part II line 1 of the IA 8864. Enter in Part II of the IA 148 Tax Credits Schedule.

If the taxpayer is a partnership, LLC, 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.

If the taxpayer has received any pass-through Biodiesel Blended Fuel Tax Credit from a partnership, LLC, S corporation, estate, or trust, indicate that amount on line 2 of Part II of the IA 8864. Also enter the amount on Part II of the IA 148 Tax Credits Schedule, providing the pass-through name and FEIN in Part IV of the IA 148 Tax Credits Schedule. If the taxpayer has received multiple pass-through Biodiesel Blended Fuel Tax Credit claims, sum all claims and enter on line 2 of Part II of the IA 8864, but list the claims separately on Part II of the IA 148 Tax Credits Schedule, providing each pass-through name and FEIN in Part IV.

Any credit in excess of the tax liability can be refunded. In lieu of the refund, the taxpayer may elect to have the overpayment credited to the tax liability for the following year.

The IA 148 Tax Credit Schedule must be completed.
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