



Missouri Alternative Fuel Infrastructure Tax Credit

Energy Center fact sheet

1/2010

Business owners who invest in alternative fuel infrastructure projects in Missouri may be eligible for a state tax credit. For all tax years beginning on or after Jan. 1, 2009, but before Jan. 1, 2012, any eligible applicant who installs and operates a qualified alternative fuel vehicle refueling property may be allowed a credit against the tax otherwise due for any tax year in which the applicant is constructing the refueling property. The credit allowed per eligible applicant cannot exceed the lesser of \$20,000 or 20 percent of the total costs directly associated with the purchase and installation of any alternative fuel storage and dispensing equipment on any qualified alternative fuel vehicle refueling property, which does not include the following:

- (1) Costs associated with the purchase of land where a qualified property is placed;
- (2) Costs associated with the purchase of an existing qualified alternative fuel vehicle refueling property; or
- (3) Costs for the construction or purchase of any structure.

Eligible applicants include business entities that own qualified alternative fuel vehicle refueling property. A qualified alternative fuel vehicle refueling property must be owned by an eligible applicant and used for storing alternative fuels and for dispensing such alternative fuels into fuel tanks of motor vehicles owned by such eligible applicant or private citizens which, if constructed after Aug. 28, 2008, was constructed with at least 51 percent of the costs being paid to qualified Missouri contractors for:

- (a) Fabrication of pre-manufactured equipment or process piping used in the construction of such facility;
- (b) Construction of such facility; and
- (c) General maintenance of such facility during the time period in which such facility receives any alternative fuel infrastructure tax credit.

If no qualified Missouri contractor is located within 75 miles of the property, the requirement that 51 percent of the costs be paid to qualified Missouri contractors will not apply. A qualified Missouri contractor is a contractor whose principal place of business is located in Missouri and has been located in Missouri for a period of not less than five years.

Tax credits allowed must be claimed by the applicant at the time an applicant files a return for the tax year when the storage and dispensing facilities were placed in service at a qualified property. The credits must be applied against the income tax liability after all other credits provided by law have been applied.

If the amount of the tax credit exceeds the eligible applicant's tax liability, the difference will not be refundable. Any amount of credit that an eligible applicant is prohibited from receiving in a taxable year may be carried forward to any of the applicant's two subsequent taxable years. Tax credits allowed may be assigned, transferred, sold, or otherwise conveyed.

A property where an applicant receives tax credits that ceases to sell alternative fuel will cause the forfeiture of the applicant's tax credit for the taxable year when the alternative fuel vehicle refueling property ceased to sell alternative fuel. The forfeiture will also apply to future taxable years, with no recapture of tax credits obtained by an applicant with respect to the tax years that ended before the sale of alternative fuel ceased.

The cumulative amount of tax credits which may be filed for by eligible applicants claiming all credits authorized will not exceed the following amounts:

- (1) In taxable year 2009 - \$3 million.
- (2) In taxable year 2010 - \$2 million.
- (3) In taxable year 2011 - \$1 million.

Any eligible applicant desiring to file for a tax credit must submit the appropriate application for the credit with the Department of Natural Resources. The Department of Natural Resources will review the applications and certify to the Department of Revenue each eligible applicant that qualifies for the tax credit. A project owner must receive certification before the credit can be filed for on a Missouri tax return.

Questions?

For questions on claiming the tax credit, contact the Missouri Department of Revenue at 573-751-5860 or send email to taxcredit@dor.mo.gov.

For More Information

For more information, please contact:
Missouri Department of Natural Resources
Missouri Energy Center
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