

#### **141.422 Definitions for KRS 141.422 to 141.425.**

As used in KRS 141.422 to 141.425:

- (1) "Annual biodiesel and renewable diesel tax credit cap" means:
  - (a) For calendar years beginning prior to January 1, 2008, one million five hundred thousand dollars (\$1,500,000);
  - (b) For the calendar year beginning on January 1, 2008, five million dollars (\$5,000,000);
  - (c) For calendar years beginning on or after January 1, 2009, but before January 1, 2021, ten million dollars (\$10,000,000);
- (2) "Annual biodiesel, renewable diesel, and renewable chemical production tax credit cap" means, for calendar years beginning on or after January 1, 2021, ten million dollars (\$10,000,000);
- (3) "Annual cellulosic ethanol tax credit cap" means five million dollars (\$5,000,000), unless the annual cellulosic ethanol tax credit cap is modified pursuant to KRS 141.4248, in which case the cap established by KRS 141.4248 shall be the annual cellulosic ethanol tax credit cap for that year. Any adjustments to the annual cellulosic ethanol tax credit cap made pursuant to KRS 141.4248 shall be made on an annual basis and shall not carry forward to subsequent years;
- (4) "Annual ethanol tax credit cap" means five million dollars (\$5,000,000), unless the annual credit cap is modified pursuant to KRS 141.4248, in which case the cap established by KRS 141.4248 shall be the annual ethanol tax credit cap for that year. Any adjustments to the annual ethanol tax credit cap made pursuant to KRS 141.4248 shall be made on an annual basis and shall not carry forward to subsequent years;
- (5) "Biodiesel" means a renewable, biodegradable, mono alkyl ester combustible liquid that is derived from agriculture crops, agriculture plant oils, agriculture residues, animal fats, or waste products that meets current American Society for Testing and Materials specification D6751 for biodiesel fuel (B100) blend stock distillate fuels;
- (6) "Biodiesel producer" means an entity that manufactures biodiesel at a location in this Commonwealth;
- (7) "Cellulosic ethanol" means ethyl alcohol for use as motor fuel that meets the current American Society for Testing and Materials specification D4806 for ethanol that is produced from cellulosic biomass materials of any lignocellulosic or hemicellulosic matter that is available on a renewable or recurring basis, including:
  - (a) Plant wastes from industrial processes such as sawdust and paper pulp;
  - (b) Energy crops grown specifically for fuel production such as switchgrass; or
  - (c) Agricultural plant residues such as corn stover, rice hulls, sugarcane, and cereal straws;
- (8) "Cellulosic ethanol producer" means an entity that uses cellulosic biomass materials to manufacture cellulosic ethanol at a location in this Commonwealth;
- (9) "Blended biodiesel" means a blend of biodiesel with petroleum diesel so that the

percentage of biodiesel in the blend is at least two percent (2%) (B2 or greater);

- (10) "Ethanol" means ethyl alcohol produced from corn, soybeans, or wheat for use as a motor fuel that meets the current American Society for Testing and Materials specification D4806 for ethanol;
- (11) "Ethanol-based tax credits" means the cellulosic ethanol tax credit provided for in KRS 141.4244 and the ethanol tax credit provided for in KRS 141.4242;
- (12) "Ethanol producer" means an entity that uses corn, soybeans, or wheat to manufacture ethanol at a location in this Commonwealth;
- (13) "Renewable diesel" means a renewable, biodegradable, non-ester combustible liquid that:
  - (a) Is derived from biomass resources as defined in KRS 152.715; and
  - (b) Meets the current American Society for Testing and Materials Specification D396 for fuel oils intended for use in various types of fuel-oil-burning equipment; D975 for diesel fuel oils suitable for various types of diesel fuel engines; or D1655 for aviation turbine fuels; and
- (14) "Renewable diesel producer" means an entity that manufactures renewable diesel at a location in this Commonwealth.

**Effective:** April 15, 2020

**History:** Amended 2020 Ky. Acts ch. 91, sec. 26, effective April 15, 2020. -- Amended 2007 (2d Extra. Sess.) Ky. Acts ch. 1, sec. 20, effective August 30, 2007. -- Created 2005 Ky. Acts ch. 168, sec. 136, effective March 18, 2005.

**Legislative Research Commission Note** (3/18/2005). 2005 Ky. Acts ch. 168, sec. 165, provides that this section shall apply to tax years beginning on or after January 1, 2005.