

Name(s): _____

Social Security Number (SSN) or Federal Employer Identification Number (FEIN): _____

Pass-through entity legal name (if applicable): _____

Pass-through FEIN: _____ Tax period ending date: _____

1. Total number of biodiesel fuel gallons containing a minimum of 11% to 19% pure biodiesel sold at retail in Iowa during the tax year1. _____
2. Biodiesel Blended Fuel Tax Credit for B11-B19 blends. Multiply line 1 by the tax credit rate per gallon of \$0.05 (five cents)2. _____
3. Total number of biodiesel fuel gallons containing a minimum of 20% to 29% pure biodiesel sold at retail in Iowa during the tax year3. _____
4. Biodiesel Blended Fuel Tax Credit for B20-B29 blends. Multiply line 3 by the tax credit rate per gallon of \$0.07 (seven cents)4. _____
5. Total number of biodiesel fuel gallons containing a minimum of 30% pure biodiesel sold at retail in Iowa during the tax year5. _____
6. Biodiesel Blended Fuel Tax Credit for B30 plus blends. Multiply line 5 by the tax credit rate per gallon of \$0.10 (ten cents)6. _____
7. Biodiesel Blended Fuel Tax Credit. Add lines 2, 4, and 6. See Where to Report This Tax Credit in instructions7. _____
8. Pass-Through Biodiesel Blended Fuel Tax Credit from partnership, limited liability company (LLC), S corporation, estate, or trust. See Where to Report This Tax Credit in instructions8. _____

Include this form with your return.



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What's New for Tax Year 2023

2022 Iowa Acts chapter 1067 (House File 2128) modified the Biodiesel Blended Fuel Tax Credit for biodiesel blended fuel sold on or after January 1, 2023. This will impact retail dealers who sell biodiesel blended fuel at retail in Iowa on or after January 1, 2023. The tax credit rates have been changed to the following beginning on January 1, 2023:

- \$0.05 (five cents) per gallon sold at retail in Iowa for B11-B19 blends. Gallons rated below B-11 no longer qualify for Biodiesel Blended Fuel Tax Credit.
- \$0.07 (seven cents) per gallon sold at retail in Iowa for B20-B29 blends.
- \$0.10 (ten cents) per gallon sold at retail in Iowa for B30 and higher blends.

About the Biodiesel Blended Fuel Tax Credit

An Iowa Biodiesel Blended Fuel Tax Credit is available to retail dealers of diesel who operate fuel pumps at an Iowa retail fuel site. Tank wagons are considered retail fuel sites. To qualify for the tax credit, retail dealers must sell biodiesel blended fuel with a minimum percentage of 11 by volume of biodiesel on or after January 1, 2023.

For gallons sold on or after January 1, 2023, the tax credit equals five cents multiplied by the total number of gallons of biodiesel blended fuel with 11% to 19% biodiesel, seven cents multiplied by the total number of gallons of biodiesel blended fuel with 20% to 29% biodiesel, and ten cents multiplied by the total number of gallons of biodiesel blended fuel with 30% or higher biodiesel.

See Iowa Code section 422.11P and Iowa Administrative Code rules 701—304.34 and 501.31 for more information.

Claiming This Tax Credit

Provide your name, Social Security Number (SSN) or Federal Employer Identification Number (FEIN), and tax period ending date.

If the retailer is a pass-through entity (partnership, limited liability company, S corporation, estate, or trust), the tax credit is allocated to the members. The tax credit allocation must be in the ratio of each member's share of the earnings of the entity

to the entity's total earnings. Special allocations are not permitted. Report the tax credit to the Department and members as instructed (see Where to Report This Tax Credit).

If the taxpayer has received any Biodiesel Blended Fuel Tax Credit from a pass-through entity, indicate that amount on line 8 of the IA 8864. See Where to Report This Tax Credit.

File a separate IA 8864 for each pass-through Biodiesel Blended Fuel Tax Credit received and provide the required information regarding the pass-through entity.

Any tax credit in excess of tax liability can be refunded or credited to tax liability for the following year.

Include this form and the IA 148 with your IA 1040, IA 1041, or IA 1120.

Include this form with your IA 1065 or IA 1120S.

Where to Report This Tax Credit

Iowa Form:	Enter amounts from lines 7 and 8 on:	Additional instructions:
1040	IA 148 Tax Credits Schedule	<ul style="list-style-type: none"> • Report line 7 and line 8 amounts on the IA 148, Part II, using tax credit code 52. List each tax credit claim earned or received separately. • For line 8 amounts from another pass-through entity, report required information about the pass-through entity on the IA 148, Part IV. List each pass-through tax credit claim separately.
1120		
1041 (amounts claimed at entity level)		
1041 (amounts allocated to beneficiaries)	IA 1041 Schedule K-1	<ul style="list-style-type: none"> • Report the allocated share of line 7 and line 8 amounts on each beneficiary's IA 1041 Schedule K-1 using tax credit code 52. List each tax credit claim earned or received separately. • Instruct beneficiaries to report their allocated tax credit on line 8 of form IA 8864 and include the IA 8864 with their tax return.
1065	IA 1065 Schedule B and IA 1065 Schedule K-1	<ul style="list-style-type: none"> • Report line 7 and line 8 amounts on the IA 1065 Schedule B as earned by the entity (line 7) or received from another pass-through entity (line 8) and use tax credit code 52. Also, report each member's allocated share of the tax credit on the IA 1065 Schedule K-1 using tax credit code 52. List each tax credit claim earned or received separately on the Schedule B and Schedule K-1. • Instruct members to report their allocated tax credit on line 8 of form IA 8864 and include the IA 8864 with their tax return.
1120S	IA 1120S Schedule B and IA 1120S Schedule K-1	<ul style="list-style-type: none"> • Report line 7 and line 8 amounts on the IA 1120S Schedule B as earned by the entity (line 7) or received from another pass-through entity (line 8) and use tax credit code 52. Also, report each member's allocated share of the tax credit on the IA 1120S Schedule K-1 using tax credit code 52. List each tax credit claim earned or received separately on the Schedule B and Schedule K-1. • Instruct members to report their allocated tax credit on line 8 of form IA 8864 and include the IA 8864 with their tax return.