

#### **141.424 Biodiesel credit distribution for pass-through entities.**

- (1) In the case of a biodiesel producer, biodiesel blender, or renewable diesel producer which is a pass-through entity not subject to tax under KRS 141.040, the amount of approved credit shall be applied against the tax imposed by KRS 141.0401 at the entity level, and shall also be distributed to each partner, member, shareholder, or beneficiary based on the partner's, member's, shareholder's, or beneficiary's distributive share of the income of the pass-through entity. Each biodiesel producer, biodiesel blender, or renewable diesel producer shall notify the department electronically of all partners, members, shareholders, or beneficiaries who may claim any amount of the approved credit. Failure to provide information to the department in a manner prescribed by administrative regulation may constitute the forfeiture of available credits to all partners, members, shareholders, or beneficiaries in the pass-through entity.
- (2) An agricultural cooperative association organized under KRS Chapter 272 may elect to apportion pro rata any amount of the approved credit among the members of the association on the basis of the quantity or value of business done with or for such members for the taxable year. The agricultural cooperative association shall notify the department electronically of all members who may claim any amount of the approved credit if the election is made.

**Effective:** August 30, 2007

**History:** Amended 2007 (2d Extra. Sess.) Ky. Acts ch. 1, sec. 22, effective August 30, 2007. -- Amended 2006 (1st Extra. Sess.) Ky. Acts ch. 2, sec. 34, effective June 28, 2006. -- Created 2005 Ky. Acts ch. 168, sec. 138, effective March 18, 2005.

**Legislative Research Commission Note** (6/28/2006). 2006 (1st Extra Sess.) Ky. Acts ch. 2, sec. 73, provides that "unless a provision of this Act specifically applies to an earlier tax year, the provisions of this Act shall apply to taxable years beginning on or after January 1, 2007."

**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.

**Legislative Research Commission Note** (3/18/2005). 2005 Ky. Acts ch. 11, 85, 95, 97, 98, 99, 123, and 181 instruct the Reviser of Statutes to correct statutory references to agencies and officers whose names have been changed in 2005 legislation confirming the reorganization of the executive branch. Such a correction has been made in this section.