



Extension of the Clean Heating Fuel Credit

This memorandum describes the legislation that extends the clean heating fuel credit under Article 22 of the Tax Law (the personal income tax).

Chapter 193 of the Laws of 2012 amended section 606(mm) of the Tax Law to extend the clean heating fuel credit under the personal income tax. The amendment extends the availability of the credit for individuals, estates, and trusts for bioheat purchased on or after January 1, 2008, and before January 1, 2017.

Previously, Chapter 591 of the Laws of 2011 amended section 210(39) of the Tax Law to extend the availability of the clean heating fuel credit for business corporations taxable under Article 9-A of the Tax Law (franchise tax on business corporations). However, due to a technical oversight, the availability of the credit was not extended for individuals, estates, and trusts.

Prior to these amendments, the credits for both personal income tax and corporation franchise tax would have expired for bioheat purchased on or after January 1, 2012.

The clean heating fuel credit is allowed for the purchase of bioheat used for space heating or hot water production for residential purposes in New York State. The credit amount equals \$0.01 (one cent) per gallon for each percent of biodiesel included in the bioheat, not to exceed \$0.20 (twenty cents) per gallon. For more information, see [TSB-M-08\(5\)C, \(1\)I](#), *Clean Heating Fuel Credit*.

Note: The clean heating fuel credit is subject to the temporary deferral of tax credits under sections 33 and 34 of the Tax Law for tax years beginning on or after January 1, 2010, and before January 1, 2013. For more information, see [TSB-M-10\(5\)C, \(1\)I](#), *Temporary Deferral of Certain Tax Credits*.

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