

DRAFT FORM — NOT FOR FILING

This draft form has been updated to include the most recent changes effective for Tax Year 2026 Virginia returns. If legislative changes or issues arise, we will post a new version of this draft form.

Please continue to monitor tax.virginia.gov/early-release-forms for future drafts of this form. Once forms are final, we will post them on our website at tax.virginia.gov/forms.

Virginia
Form BFC

Biodiesel and Green Diesel Fuel Producers
Tax Credit Application
See the instructions before completing this form.

Tax Year Ending
MM / DD / YYYY

Reason for Submitting Form BFC (check one):

- ☐ **Application for Tax Credit** – complete Sections I, II, and IV -AND- enclose a copy of certificate from Department of Energy.
- ☐ **Transfer of Credit** – complete Sections I, III (for each transferee), and IV.

Section I – Taxpayer Information

Name		☐ SSN ☐ FEIN
Street Address	City, State, ZIP Code	
Contact Name	Contact Email Address	Contact Phone Number

Start Date of Biodiesel / Green Diesel Fuel Production (mm / dd / yyyy): ____ / ____ / ____

Type of Fuel Produced (check both boxes if both types of fuel are produced): ☐ Biodiesel ☐ Green Diesel

Section II – Credit Calculation

1) Number of Gallons Produced Annually	
2) Multiply Line 1 by \$0.01 (amount of credit per gallon of fuel)	\$.00
3) Credit Amount: Enter the amount on Line 2 or \$5,000, whichever is less	\$.00

Section III – Credit Transfer Information

Transferee Name		☐ SSN ☐ FEIN
Street Address	City, State, ZIP Code	
Contact Name	Contact Email Address	Contact Phone Number

1) Date of Credit Transfer (mm / dd / yyyy):	
2) Sale Price of Credit	\$.00
3) Credit Amount Transferred	\$.00

Section IV – Declaration and Signature

I (we) the undersigned declare, under the penalties provided by law, that this form (including any accompanying schedules, statements, and attachments) has been examined by me (us) and is, to the best of my (our) knowledge and belief, a true, correct, and complete application, made in good faith pursuant to the income tax laws of the Commonwealth of Virginia.

Signature	Title	Date
Printed Name	Phone Number	Email Address

To avoid delays in the processing of your annual return, Form BFC should be submitted to the Department of Taxation within 90 days of the credit origination or credit transfer, but at least 60 days before you file your return.

Virginia Form BFC

Biodiesel and Green Diesel Fuel Tax Credit Application

General Information

A credit is available for Virginia biodiesel and green diesel fuel producers who produce up to 2 million gallons of fuel per year. This credit is only available during the first 3 years of production. Corporate and individual taxpayers may claim a nonrefundable credit against their tax liability for the production of these fuels.

Form BFC is used to make a claim to the Virginia Department of Taxation for a Biodiesel and Green Diesel Fuel Producers Tax Credit after the Virginia Department of Energy has certified that you have satisfied all the requirements of Va. Code § 58.1-439.12:02.

Credit Amount

The amount of the credit is \$0.01 per gallon, not to exceed \$5,000 annually.

Carryover Provision

Any credit not used for the taxable year may be carried over to the next 3 taxable years. The amount of the credit allowed cannot exceed the tax liability for the taxable year the credit is being claimed.

Credit Transfers

The credit may be transferred to another taxpayer. The transfer of the credit must be completed before the end of a taxable year in order to use the credit for that taxable year.

Definitions

Biodiesel fuel — a fuel composed of mono-alkyl esters of long-chain fatty acids derived from vegetable oils or animal fats, designated B100, and meeting the requirements of ASTM D6751.

Green diesel fuel — a fuel produced from nonfossil renewable resources including agricultural or silvicultural plants, animal fats, residue and waste generated from the production, processing, and marketing of agricultural products, silvicultural products, and other renewable resources, and meeting applicable ASTM specifications.

Feedstock — the agricultural or other renewable resources, whether plant or animal derived, used to produce biodiesel or green diesel fuels.

Producer — any person, entity, or agricultural cooperative association, as defined in the Agricultural Cooperative Association Act that, in a calendar year, produces in the Commonwealth up to 2 million gallons of biodiesel or green diesel fuels using feedstock originating domestically within the United States.

When to Submit Form BFC

To avoid delays in the processing of your annual return, Form BFC should be submitted to the Department within 90

days of the credit origination or the transfer of the credit, but at least 60 days before you file your annual return to claim the credit.

NOTE: By providing an email address on the form, the taxpayer consents to allow emailed communications from the Virginia Department of Taxation related to this tax credit application. If the taxpayer does not wish to receive electronic communications, do not enter an email address in the spaces provided on the form.

IMPORTANT: All businesses must be registered with the Virginia Department of Taxation prior to submitting Form BFC. To start the online registration process, visit tax.virginia.gov/register. If unable to register online, download and complete Virginia Tax Form R-1.

Enclosure Requirements

Enclose a copy of the certificate issued by the Department of Energy.

Pass-Through Entities

Each pass-through entity must file Form TCA with the Department when allocating this credit to its participants. Form TCA should be filed within 30 days after the credit is granted, but at least 90 days prior to the participants filing their income tax returns. Failure to file Form TCA may result in the credit claim being disallowed and/or a delay in processing the participant's return. This information should be sent to: **Virginia Department of Taxation, ATTN: Tax Credit Unit, P.O. Box 715, Richmond, VA 23218-0715** or you may fax it to **(804) 774-3902. Do not do both.**

All pass-through entities distributing this credit to its participants, including owners, shareholders, partners, or members, must give each such participant a Schedule VK-1, Owner's Share of Income and Virginia Modifications and Credits.

Where to Submit Form BFC

Mail your completed Form BFC and enclosures to **Virginia Department of Taxation, Tax Credit Unit, P.O. Box 715, Richmond, VA 23218-0715**, or fax it to **(804) 774-3902**. Do not do both.

Where to Get Help

Write to Virginia Department of Taxation, **Tax Credit Unit, P.O. Box 715, Richmond, VA 23218-0715** or call **(804) 786-2992**. Visit www.tax.virginia.gov to obtain most tax forms and additional information.