

ENGROSSED HOUSE
BILL NO. 2044

BY: LEIST

AN ACT RELATING TO REVENUE AND TAXATION; PROVIDING FOR CREDITS FOR CERTAIN PERSON OR ENTITIES ENGAGED IN CERTAIN CLEANUP OPERATIONS OF HAZARDOUS SUBSTANCES; PROVIDING CERTAIN EXCEPTION; PROVIDING FOR PERCENTAGE AND TIME PERIOD; REQUIRING FOR CERTAIN PLANS AND APPROVAL THEREOF; REQUIRING CERTAIN INFORMATION; PROHIBITING CERTAIN PERSON AND ENTITIES FROM ELIGIBILITY FOR CREDITS; PROVIDING FOR PROMULGATION OF RULES; PROVIDING FOR CODIFICATION; AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2357.32 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For all taxable years beginning after December 31, 1992, there shall be allowed a credit against the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes for any person, firm, corporation or other legal entity voluntarily engaged in a cleanup operation or program undertaken by such entity solely upon its own initiative at any site or facility in Oklahoma which is contaminated with one or more hazardous substances as defined in the Federal Comprehensive Environmental Response, Compensation and Liability

Act. Provided, this section shall not apply to contamination caused by releases to the environment of such hazardous substances occurring on or after December 11, 1980.

B. The credit provided for in subsection A of this section shall be thirty-five percent (35%) of the costs of the cleanup operation or program incurred by the taxpayer in any tax year and shall be allowed for up to ten (10) consecutive years per site or facility. If the taxpayer is a parent corporation, the credit may be taken for qualifying activities of subsidiaries of such parent corporation.

C. In order to qualify for the credit provided for in subsection A of this section, the person, firm, corporation or other legal entity engaged in such voluntary cleanup operation or program shall conduct the cleanup operation or program pursuant to a plan approved in writing by the Oklahoma State Department of Health. Upon completion of the cleanup operation or program, the person, firm, corporation or other legal entity shall certify to the Department that the cleanup operation or program has been completed in accordance with the plan approved by the Department, and the total costs thereof, and shall supply such information and documentation as shall be requested by the Department to verify such certification. Upon verification of the certification, the Department shall certify the reasonable costs of such cleanup operation or program to the Oklahoma Tax Commission.

D. No person, firm, corporation or other legal entity shall be eligible for a tax credit under this section for payments made to the United States or to the State of Oklahoma under any cost recovery action under the Federal Comprehensive Environmental Response, Compensation and Liability Act or any comparable state statute, nor if such person, firm, corporation or other legal entity, or an officer, director or principal thereof, shall have

been convicted of any crime arising from such hazardous substance contamination.

E. The Oklahoma State Department of Health and the Oklahoma Tax Commission shall promulgate rules and regulations necessary to implement and administer the provisions of this section.

SECTION 2. This act shall become effective September 1, 1992.

Passed the House of Representatives the 18th day of February, 1992.

Speaker of the House of Representatives

Passed the Senate the ____ day of _____, 1992.

President of the Senate