

STATE OF OKLAHOMA

2nd Session of the 44th Legislature (1994)

HOUSE BILL NO. 2439

By: Holt

AS INTRODUCED

An Act relating to revenue and taxation; amending 68 O.S. 1991, Section 2359, which relates to exemptions from Oklahoma income tax; providing exemption from income tax for certain individuals; and providing an effective date.

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

SECTION 1. AMENDATORY 68 O.S. 1991, Section 2359, is amended to read as follows:

Section 2359. A. A person or organization exempt from federal income taxation under the provisions of the Internal Revenue Code shall also be exempt from the tax imposed by Section 2351 et seq. of this title in each year in which such person or organization satisfies the requirements of the Internal Revenue Code for exemption from federal income taxation. If the exemption applicable to any person or organization under the provisions of the Internal Revenue Code is limited or qualified in any manner, the exemption from taxes imposed by this article shall be limited or qualified in a similar manner.

B. Notwithstanding the provisions of subsection A of this section, the unrelated business taxable income or other income

subject to tax, as computed under the provisions of the Internal Revenue Code, of any person or organization exempt from the tax imposed by this act and subject to the tax imposed on such income by the Internal Revenue Code shall be subject to the tax which would have been imposed by this act but for the provisions of subsection A of this section.

C. Insurance companies paying, during or for the taxable year, a tax to this state on gross premium income shall be exempt from the provisions of this article and the taxes levied thereby.

D. Royalty earned by an inventor from products developed and manufactured in this state shall be exempt from the tax imposed by Section 2355 of this title for a seven-year period, pursuant to the provisions of Section 5064.7 of Title 74 of the Oklahoma Statutes.

E. Sponsors and tenants of small business incubators shall be exempt for the tax imposed by Section 2355 of this title, pursuant to the provisions of Sections 5075 and 5078 of Title 74 of the Oklahoma Statutes.

F. All persons sixty-two (62) years of age or older shall be exempt from paying the tax imposed by Section 2351 et seq. of this title.

SECTION 2. This act shall become effective January 1, 1995.

44-2-7771

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