

ENGROSSED HOUSE
BILL NO. 1870

By: Beutler, Bryant and
Cotner of the House

and

Kerr of the Senate

An Act relating to revenue and taxation; providing for a deduction from taxable income for certain property sold to state; providing limitations; providing definition; providing amount of deduction; providing limitation on deduction; providing for joint ownership of property; permitting property to be transferred to certain organization; requiring certain organization to transfer property to state within certain time period; 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 2357.24 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For taxable years beginning after December 31, 1994, there shall be allowed a deduction from the taxable income of any resident taxpayer who sells to this state any real property in which the taxpayer is the record owner and which real property was the site of a historic battle during the nineteenth century and is or has been designated a National Historic Landmark. For purposes of this

section, a "National Historic Landmark" is a district, site, building, structure or object, designated by the Secretary of the Interior as possessing national significance in American history, archaeology, architecture, engineering or culture.

B. The deduction allowed by this section shall be limited to fifty percent (50%) of any capital gain the owner of the property receives or realizes upon the sale of the property and shall be allowed for the taxable year in which the sale occurred.

C. A husband and wife who file separate returns for a taxable year in which they could have filed a joint return may each claim only one-half (1/2) of the tax deduction that would have been allowed for a joint return. If record title to the property is held in more than one individual other than a husband and wife, each owner shall be allowed the deduction in the same percentage as that individual's percentage of ownership in the property. In no event shall the total deduction allowed by this section exceed fifty percent (50%) in the taxable year of the capital gain realized on the sale of the property.

D. Record title to the property subject to the provisions of this section may be initially transferred or conveyed by the resident taxpayer to a private, nonprofit organization if the organization transfers or conveys record title to the property to this state within one (1) year of the sale or transfer of the property from the resident taxpayer to the organization. The private, nonprofit organization shall not be entitled to the deduction provided by this section. If record title is not transferred or conveyed to this state by the private, nonprofit organization within the one-year period, the resident taxpayer shall not be allowed the deduction.

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

Passed the House of Representatives the 13th day of March, 1995.

Speaker of the House of
Representatives

Passed the Senate the ____ day of _____, 1995.

President of the Senate