

STATE OF OKLAHOMA

2nd Session of the 45th Legislature (1996)

HOUSE BILL NO. 2664

By: Maddux and Ferguson

AS INTRODUCED

An Act relating to revenue and taxation; providing for income tax credit for certain qualified investors making certain investments in value-added agricultural processing companies; defining terms; providing amount of credit; establishing certain requirements to claim credit; providing for codification; and declaring an emergency.

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 2357.25 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For tax years beginning after December 31, 1995, there shall be allowed a credit against the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes for qualified investors who make investments in value-added agricultural processing companies.

B. For purposes of this section:

1. "Value-added agricultural processing company" shall mean:
  - a. a corporation,
  - b. a limited liability company, or

c. a partnership consisting of five or more individuals who are not related to one another by blood or marriage;

the purpose of which is to add value to the production of raw agricultural products grown or raised in this state; and

2. "Qualified investor" shall mean an individual who is a member of an Oklahoma Agricultural Cooperative which makes investments in value-added agricultural processing companies.

C. The credit provided for in subsection A of this section shall be limited to Ten Thousand Dollars (\$10,000.00) for each qualified investor for each value-added agricultural processing company. If the tax credit allowed pursuant to subsection A of this section exceeds the amount of taxes due or if there are no state taxes due of the taxpayer, the amount of the claim not used as an offset against the taxes of a tax year may be carried forward as a credit against subsequent tax liability for a period not to exceed five (5) years; provided, an individual shall not be permitted to claim a credit for any tax year pursuant to this section unless the individual retains ownership in one or more agricultural processing companies for that tax year.

SECTION 2. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

45-2-8884

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