

ENGROSSED HOUSE
BILL NO. 1107

By: Bonny, Askins, Pope
(Clay), Adkins, Claunch,
Coleman, Dank, Hastings,
Ingmire, Liotta, Maddux,
Miller, Morgan, Newport,
Perry, Pope (Tim),
Ramsey, Sullivan
(Leonard), Vaughn,
Weaver, Wilt and Worthen
of the House

and

Maddox of the Senate

(small business - income tax credit - guaranty fee -
codification - 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 2357.70 of Title 68, unless
there is created a duplication in numbering, reads as follows:

A. As used in this section, "small business" means any
corporation, partnership, sole proprietorship or other business
entity qualifying as "small" under the standards contained in
Section 121 of Title 13 of the Code of Federal Regulations (13
C.F.R., Section 121).

B. Every small business operating within the State of Oklahoma
shall be entitled to claim as a credit against the tax imposed by
Section 2355 of Title 68 of the Oklahoma Statutes any amount paid to
the U.S. Small Business Administration as a guaranty fee pursuant to

the obtaining of financing guaranteed by the Small Business Administration.

C. The credit authorized by this section shall be available to the small business for a period not to exceed sixty (60) months after payment of the guarantee fee; provided, however, the credit shall not reduce the tax below the minimum tax where a minimum tax is provided under Title 68 of the Oklahoma Statutes. The credit shall be claimable only by the small business which is the primary obligor in the financing transaction and which actually paid the guaranty fee.

SECTION 2. This act shall become effective January 1, 1999.

Passed the House of Representatives the 4th day of March, 1998.

Speaker of the House of Representatives

Passed the Senate the ____ day of _____, 1998.

President of the Senate