

STATE OF OKLAHOMA

1st Session of the 46th Legislature (1997)

HOUSE BILL NO. 1791

By: Smith (Hopper)

AS INTRODUCED

An Act relating to revenue and taxation; providing for income tax credit for donations to charitable organizations by corporations; providing amount of tax credit; requiring donations to be utilized in this state; providing definition; prohibiting tax credit from exceeding certain amount; permitting carryforward of tax credit; 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 2357.28 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. There shall be allowed as a credit against the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes an amount equal to one percent (1%) of the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes on any corporation subject to income tax in this state for donations to charitable organizations operating in this state which donations will be utilized or expended in this state. The amount of the donation to the charitable organization by

the corporation shall be at least one percent (1%) of the tax imposed on the corporation by Section 2355 of this title.

B. As used in this section, "charitable organization" means any philanthropic, patriotic, eleemosynary, educational, social, civic, recreational, religious, or any other group or organization performing acts beneficial to the public in this state and which is exempt from taxation pursuant to the Internal Revenue Code, 26 U.S.C., Section 501(c) (3).

C. In no event shall the tax credit allowed pursuant to this section exceed the tax liability of the taxpayer. If the tax credit exceeds the amount of income tax due, or if there is no income tax due on the income of the taxpayer, the amount of credit not used as an offset against the income may be carried forward as a credit against subsequent income tax liability for a period not to exceed five (5) years.

SECTION 2. This act shall become effective January 1, 1998.

46-1-5889

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