

STATE OF OKLAHOMA

2nd Session of the 46th Legislature (1998)

HOUSE BILL NO. 2980

By: Sullivan (John)

AS INTRODUCED

An Act relating to revenue and taxation; providing income tax credit for investments in child care facilities by certain business establishments; setting forth qualifications for tax credit; stating amount of tax credit; providing for carryforward of unused tax credit; providing definitions; 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 2357.26 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For taxable years beginning after December 31, 1998, there shall be allowed a credit against the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes for investments in child care facilities and placed in service by business establishments located in this state for the employees of such business establishments. In order to qualify for this credit, a business establishment or group of business establishments shall:

1. Invest in real property, including buildings or structures, and any personal property necessary to operate a child care facility;

2. Enter into an agreement with a nonprofit religious, civic, charitable, or educational organization which has documented experience in owning or operating a child care facility and which is accredited by the National Association for the Education of Young Children to operate the child care facility;

3. Enter into an agreement with one or more local colleges or universities or vocational-technical education institute permitting such educational institutions to use the child care facility as a working educational and study program to educate and train students of child care studies, child development studies, and other related studies; and

4. Provide child care vouchers or credit of not less than One Hundred Dollars (\$100.00) to employees of the business establishments creating the child care facility for use of the child care facility;

B. The child care facility which is the subject of this section shall be licensed pursuant to law.

C. The amount of the credit allowed pursuant to this section shall be fifty percent (50%) of the investment in the child care facility. The credit shall be allowed in the year the child care facility is placed in service. The credit shall not exceed any income tax liability and any credits allowed but not used may be carried forward for a period not to exceed five (5) years.

D. As used in this section:

1. "Business establishment" means any business, regardless of legal form, including, but not limited to, a sole proprietorship, partnership, corporation, or limited liability company; and

2. "Child care facility" means a facility as defined in the Oklahoma Child Care Facilities Licensing Act, Section 402 of Title 10 of the Oklahoma Statutes.

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

46-2-8036

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