

ENGROSSED HOUSE AMENDMENTS
TO
ENGROSSED SENATE BILL NO. 1324

By: Fisher, Snyder and
Johnson of the Senate

and

Kinnamon of the House

(revenue and taxation - Small Business Capital
Formation Incentive Act - effective date -
emergency)

AUTHORS: Add the following House Coauthors: Beutler and Tyler

AMENDMENT NO. 1. Page 1, line 11, strike the enacting clause

AMENDMENT NO. 2. Page 3, line 16 1/2, insert a new Section 3 to
read

"SECTION 3. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 2357.34 of Title 68, unless
there is created a duplication in numbering, reads as follows:

A. For taxable years beginning after December 31, 2000, there
shall be allowed a credit against the tax imposed by Section 2355 of
Title 68 of the Oklahoma Statutes for investments by the owners of
small businesses in dilapidated or abandoned buildings along the
main business district in cities or towns with a population of seven
thousand (7,000) or less. For calendar years 2001 and 2002, the
amount of the credit shall be thirty percent (30%) of the amount of
the investment by the small business owner to renovate the building.
For calendar year 2003, and all subsequent years, the credit
percentage, not to exceed thirty percent (30%), shall be adjusted
annually so that the total estimate of credits does not exceed One
Million Dollars (\$1,000,000.00) annually. The formula to be used
for the percentage adjustment shall be thirty percent (30%) times

One Million Dollars (\$1,000,000.00) divided by the credits claimed in the preceding year. In no event shall the credit be claimed more than once by a taxpayer each taxable year.

B. If the credit allowed pursuant to this section exceeds the amount of state income taxes due or if there are no state income taxes due on the income of the taxpayer, the amount of credit allowed but not used in any taxable year may be carried forward as a credit against subsequent income tax liability for a period not to exceed five (5) years following the year in which the investment was originally made.

C. The Oklahoma Tax Commission shall have the authority to prescribe forms for the purposes of claiming the credit authorized by this section. The Tax Commission shall be authorized to conduct an investigation of the relevant facts as may be required in order to verify the eligibility of a claimant to receive a credit for any applicable income tax year.

D. For purposes of this section:

1. "Small business" means a business, incorporated or unincorporated, which qualifies as a small business as defined by the federal Small Business Administration; and

2. "Dilapidated or abandoned building" means any building or structure which lacks the necessary repairs or otherwise is in a state of decay or partial ruin to such an extent that the structure is in need of repair before it can be occupied, or a building or structure which has been empty or unoccupied for a period of not less than one (1) year."

and renumber subsequent sections

and when title is restored, amend accordingly

AMENDMENT NO. 3. Page 3, line 16 1/2, insert a new Section 3 to read

"SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2357.35 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For taxable years beginning after December 31, 2000, there shall be allowed a credit against the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes for Oklahoma agricultural producers when the average yearly agricultural commodity prices as determined by the Farm Service Agency of the United States Department of Agriculture drop below the levels set forth in this section. As used in this section, "agricultural producer" means any person who produces in this state the agricultural commodities set forth in subsection C of this section.

B. The credit allowed by this section shall be twenty-five percent (25%) of the ad valorem tax paid on the property used by the Oklahoma agricultural producer for growing the agricultural commodity for which the price drops below the level set forth in this section. The property used to calculate the percentage of ad valorem tax paid and used to calculate the credit allowed by this section shall not include any property used for growing or producing agricultural commodities for which the price is not below the levels set forth in this section.

C. If the average yearly price, as determined by the Farm Service Agency of the United States Department of Agriculture, of the following agricultural commodities drops below the following price levels, then the Oklahoma agricultural producer shall be eligible for the credit provided by this section:

1. Live cattle - \$55.00 per one hundred weight;
2. Hogs - \$35.00 per one hundred weight;
3. Milk - \$12.80 per one hundred weight;
4. Wheat - \$2.80 per bushel;
5. Soybeans - \$5.50 per bushel;
6. Sorghum - \$3.80 per one hundred weight;

7. Peanuts - \$0.33 per pound;
8. Corn - \$2.00 per bushel;
9. Cotton - \$0.60 per pound;
10. Alfalfa hay - \$90.00 per ton; and
11. All other hay - \$70.00 per ton.

D. If the credit allowed pursuant to this section exceeds the amount of state income taxes due or if there are no state income taxes due on the income of the taxpayer, the unused credit shall be refunded to the agricultural producer.

E. The Oklahoma Tax Commission shall promulgate any necessary rules to implement the provisions of this section."

and renumber subsequent sections

and when title is restored, amend accordingly

Passed the House of Representatives the 4th day of April, 2000.

Speaker of the House of
Representatives

Passed the Senate the ____ day of _____, 2000.

President of the Senate