

1 STATE OF OKLAHOMA

2 1st Session of the 47th Legislature (1999)

3 CONFERENCE COMMITTEE SUBSTITUTE
4 FOR ENGROSSED

5 HOUSE BILL NO. 1254

6 By: Bonny, Claunch, Toure,
7 Liotta, Bengé, Glover,
8 Frame and Pope (Clay) of
9 the House

10 and

11 Maddox of the Senate

12 CONFERENCE COMMITTEE SUBSTITUTE

13 An Act relating to revenue and taxation; providing
14 for credit against certain in lieu tax levied upon
15 banking or other financial institutions; prescribing
16 amount of credit; prescribing method for computing
17 credit; prohibiting credit based upon certain
18 agreements between financial institution and eligible
19 borrower; providing for carryover period; prohibiting
20 use of credit to reduce tax liability below certain
21 amount; requiring report; providing for codification;
22 and providing an effective date.

23 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

24 SECTION 1. NEW LAW A new section of law to be codified
25 in the Oklahoma Statutes as Section 2370.1 of Title 68, unless there
26 is created a duplication in numbering, reads as follows:

27 A. There shall be allowed a credit against the tax imposed by
28 Section 2370 of Title 68 of the Oklahoma Statutes for any state
29 banking association, national banking association and credit union
30 organized under the laws of this state for the amount of the
31 guaranty fee paid by the banking association or credit union to the
32 United States Small Business Administration pursuant to the "7(a)"
loan guaranty program.

B. The credit authorized by this section may be claimed for
guaranty fees paid on or after January 1, 2000.

1 C. No credit may be claimed pursuant to this section if,
2 pursuant to the agreement between the banking association or credit
3 union and the entity to which proceeds are made available, the
4 banking association or credit union adds the amount of the SBA 7(a)
5 loan guaranty fee to the amount financed by the borrower or in any
6 other way recovers the guaranty fee amount from the borrower.

7 D. The credit authorized by this section may be claimed and if
8 not fully used in the initial year for which the credit is claimed
9 may be carried over, in order, to each of the five (5) succeeding
10 taxable years. The credit authorized by this section may not be
11 used to reduce the tax liability of the credit claimant below zero
12 (0).

13 E. The Oklahoma Tax Commission shall prepare a report regarding
14 the amount of tax credits claimed as authorized by this section. The
15 report shall be submitted to the Speaker of the House of
16 Representatives and to the President Pro Tempore of the Senate not
17 later than March 31 of each year.

18 SECTION 2. This act shall become effective January 1, 2000.

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