

STATE OF OKLAHOMA

2nd Session of the 48th Legislature (2002)

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 2678

By: Calvey

COMMITTEE SUBSTITUTE

An Act relating to small business; providing income tax deduction for losses on sale or exchange of certain equity securities by Small Business Investment Companies; providing for income tax deduction for certain dividend income received by Small Business Investment Companies; 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 2358.6 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For taxable years beginning after December 31, 2002, there shall be allowed a deduction equal to one hundred percent (100%) of the loss on the sale or exchange of any equity security, however denominated, owned by a Small Business Investment Corporation organized under the Small Business Investment Act of 1958, as amended.

B. For taxable years beginning after December 31, 2002, there shall be allowed a deduction equal to one hundred percent (100%) of the income received in the form of dividends by a Small Business Investment Company organized under the Small Business Investment Act of 1958, as amended, from equity securities issued by a domestic corporation, a domestic limited liability company or other business entity the equity securities of which are owned by a Small Business Investment Company.

SECTION 2. This act shall become effective January 1, 2003.