

STATE OF OKLAHOMA

2nd Session of the 48th Legislature (2002)

SENATE BILL 999

By: Kerr

AS INTRODUCED

An Act relating to revenue and taxation; allowing income tax credits for certain donations to public schools; specifying and limiting amount of credits; allowing credits to be carried forward for certain period; specifying amount of credit that may be claimed by spouses filing separately or with respect to property with title held by more than one individual; specifying certain duties of Oklahoma Tax Commission; 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 2357.43 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For tax years beginning after December 31, 2002, and ending before January 1, 2008, there shall be allowed a credit against the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes to any Oklahoma taxpayer who donates to any public school in this state any real property in which the taxpayer is the record owner, to be used for the establishment of an agricultural education or Future Farmers of America school farm used for livestock, crop production or horticulture. The credit shall be in the amount of fifty percent (50%) of the appraised value of the real property as determined by the Oklahoma Tax Commission, not to exceed Ten Thousand Dollars (\$10,000.00). If the amount of the credit exceeds the amount of income taxes due or if there are no state income taxes due on the income of the taxpayer, the amount of the 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 exceeding five (5) years from the date of the donation of the property.

B. For tax years beginning after December 31, 2002, and ending before January 1, 2008, there shall be allowed a credit against the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes to any Oklahoma taxpayer who donates to any public school in this state any improvements on any real property used for the establishment of an agricultural education or Future Farmers of America school farm. The credit shall be in the amount of thirty percent (30%) of the appraised value of the improvements which are donated, as determined by the Tax Commission, not to exceed Ten Thousand Dollars (\$10,000.00) in any tax year. If the amount of the credit exceeds the amount of income taxes due or if there are no state income taxes due on the income of the taxpayer, the amount of the 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 exceeding five (5) years from the date of the donation of the property.

C. A husband and wife who file separate income tax returns for a taxable year in which they could have filed a joint return may each claim only one-half of the tax credit that would have been allowed for a joint return. If record title to property for which a tax credit is allowed pursuant to the provisions of this section is held by more than one individual other than a husband and wife, each owner shall be allowed the tax credit in the same percentage as that individual's percentage of ownership in the property.

D. The Tax Commission shall develop and issue appropriate forms and instructions to enable eligible taxpayers to claim the tax credit. The Tax Commission shall promulgate rules to facilitate the implementation of this section.

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