

STATE OF OKLAHOMA

1st Session of the 49th Legislature (2003)

HOUSE CONCURRENT  
RESOLUTION HCR1010

By: Turner

AS INTRODUCED

A Concurrent Resolution memorializing Congress to pass certain legislation related to tax benefits in certain geographic areas of the State of Oklahoma; making findings regarding federal income tax laws; stating value of certain method of depreciation of business assets for federal tax purposes; stating value of certain federal income tax credits; requesting extension of time periods during which federal tax benefits applicable; and directing distribution.

WHEREAS, federal tax law has a significant impact upon investment and business location decisions; and

WHEREAS, Oklahoma utilizes significant resources at the state and local level in order to create a profitable business climate, including specialized tax incentives offered pursuant to provisions of the Internal Revenue Code of 1986, as amended; and

WHEREAS, in 1993, Congress enacted the Omnibus Budget and Reconciliation Act which included provisions in the Internal Revenue Code that authorized a favorable method for computing depreciation on business assets in areas defined by federal law as former "Indian reservations" for purposes of federal income taxation; and

WHEREAS, the favorable depreciation method is scheduled to expire at the end of the 2003 tax year; and

WHEREAS, federal law also authorizes an income tax credit for payment of certain wages to employees for business operations conducted in areas defined by federal law as former "Indian reservations" which credit is also scheduled to expire at the end of the 2003 tax year; and

WHEREAS, both the accelerated depreciation method and the availability of the income tax credit for certain wages paid are economic development incentives that Oklahoma has relied upon in its business recruiting and economic development efforts; and

WHEREAS, the expiration of the favorable depreciation method and the income tax credit for wages would be detrimental to Oklahoma's efforts to recruit and retain valuable business activity and could result in loss of investment and reduced employment.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE 1ST SESSION OF THE 49TH OKLAHOMA LEGISLATURE, THE SENATE CONCURRING THEREIN:

THAT the State of Oklahoma memorializes the 108th Congress of the United States to pass legislation extending the provisions of Section 45A and Section 168(j) of the Internal Revenue Code of 1986, as amended, so that the income tax credit for certain wages paid and the favorable depreciation method for assets placed in service within certain areas of the State of Oklahoma will continue in force and effect beyond the 2003 tax year.

THAT copies of this resolution be provided to all members of the Oklahoma Congressional Delegation and to the Executive Director of the Oklahoma Department of Commerce.

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