

An Act relating to revenue and taxation; amending 68 O.S. 2001, Sections 205, as last amended by Section 1, Chapter 375, O.S.L. 2005, 1357, as last amended by Section 58 of Enrolled House Bill No. 3139 of the 2nd Session of the 50th Oklahoma Legislature, 2357.4, as last amended by Section 2, Chapter 462, O.S.L. 2003, 2357.7, as amended by Section 2, Chapter 181, O.S.L. 2003, 2357.8, 2357.60, 2357.61, as last amended by Section 18, Chapter 479, O.S.L. 2005, 2357.62, as last amended by Section 3, Chapter 299, O.S.L. 2005, 2357.63, as last amended by Section 4, Chapter 299, O.S.L. 2005, 2357.64, 2357.65, 2357.71, 2357.72, as last amended by Section 19, Chapter 479, O.S.L. 2005, 2357.73, as last amended by Section 5, Chapter 299, O.S.L. 2005, 2357.74, as last amended by Section 6, Chapter 299, O.S.L. 2005, 2357.75, 2357.76, 2902, as last amended by Section 72 of Enrolled House Bill No. 3139 of the 2nd Session of the 50th Oklahoma Legislature, 3603, as last amended by Section 1, Chapter 352, O.S.L. 2005, 3604, as last amended by Section 2, Chapter 457, O.S.L. 2004, 3606, as amended by Section 3, Chapter 457, O.S.L. 2004, 3903, as last amended by Section 2, Chapter 352, O.S.L. 2005, 3904, as last amended by Section 3, Chapter 352, O.S.L. 2005 and 3905, as amended by Section 4, Chapter 308, O.S.L. 2002 (68 O.S. Supp. 2005, Sections 205, 2357.4, 2357.7, 2357.61, 2357.62, 2357.63, 2357.72, 2357.73, 2357.74, 3603, 3604, 3606, 3903, 3904 and 3905), which relate to tax credits; authorizing disclosure of specified information relating to certain tax credits; modifying definitions relating to venture capital tax credits; limiting conditions under which tax credit may be claimed; specifying amount and manner in which tax credit may be claimed if taxpayer is a shareholder, partner or member in a pass-through entity; defining term; requiring Oklahoma Tax Commission to file certain report; modifying conditions under which a venture capital company may be required to pay certain penalty; authorizing recapture of tax credits under specified circumstances; defining term and specifying conditions under which a recapture event may occur; modifying short title; modifying definitions relating to small business venture capital tax credits; deleting tax credit for certain gross production taxes; deleting limitation on certain credits; limiting conditions under which tax credit may be claimed; specifying amount and manner in which tax credit may be claimed if taxpayer is a shareholder, partner or member in a pass-through entity; defining term; deleting tax credit for certain gross production taxes; deleting limitation on certain credits; reducing number of years credit may be carried forward; limiting conditions under which tax credit may be claimed; specifying amount and manner in which tax credit may be claimed if taxpayer is a shareholder, partner or member in a pass-through entity; defining term; establishing requirements for small business ventures claiming credit under the Small Business Venture Capital Formation Act; authorizing Oklahoma Tax Commission to make determination regarding legitimate business purposes of an applicant for tax credits; authorizing recapture of tax credits under specified circumstances; authorizing the use of certain financing mechanisms; requiring solicitation material to contain specified statement; defining term and specifying conditions under which a recapture event may occur; establishing the amount of, and procedures by which, tax credit may be recaptured; providing that specified recapture provisions take precedence over other provisions; requiring qualified small business capital companies to prepare, maintain and make available specified records; setting period of time records shall be maintained; requiring Oklahoma Tax Commission to establish rules for the request of determination letters; exempting certain persons or entities from certain provisions; subjecting all tax credits to certain requirements; subjecting tax credits for investments made on or after a specified date to certain provisions; modifying certain reporting requirements

for capital companies by requiring certain annual financial statements; prohibiting credit unless report is provided; requiring entities making certain investments to provide notice within a specified period of time under specified circumstances; modifies requirement for development of system by Tax Commission; modifying type of information for certain report by Tax Commission; modifying definitions relating to rural small business venture capital tax credits; deleting tax credit for certain gross production taxes; deleting limitation on certain credits; limiting conditions under which tax credit may be claimed; requiring capital company to issue reports attributing source of funds for investments; reducing period of time credit may be carried forward; specifying amount and manner in which tax credit may be claimed if taxpayer is a shareholder, partner or member in a pass-through entity; defining term; extending expiration date for certain tax credit; deleting tax credit for certain gross production taxes; deleting limitation on certain credits; reducing number of years credit may be carried forward; limiting conditions under which tax credit may be claimed; specifying amount and manner in which tax credit may be claimed if taxpayer is a shareholder, partner or member in a pass-through entity; defining term; establishing requirements for small business ventures claiming credit under the Rural Small Business Venture Capital Formation Act; authorizing Oklahoma Tax Commission to make determination regarding legitimate business purposes of an applicant for tax credits; authorizing recapture of tax credits under specified circumstances; authorizing the use of certain financing mechanisms; requiring solicitation material to contain specified statement; defining term and specifying conditions under which a recapture event may occur; establishing the amount of, and procedures by which, tax credit may be recaptured; providing that specified recapture provisions take precedence over other provisions; requiring qualified rural small business capital companies to prepare, maintain and make available specified records; setting period of time records shall be maintained; requiring Oklahoma Tax Commission to establish rules for the request of determination letters; exempting certain persons or entities from certain provisions; subjecting all tax credits to certain requirements; subjecting tax credits for investments made on or after a specified date to certain provisions; modifying certain reporting requirements for capital companies by requiring certain annual financial statements; prohibiting credit unless report is provided; requiring certain entities to notify Tax Commission under specified conditions; requiring Tax Commission to revoke verification of credits under specified circumstances; modifies requirement for development of system by Tax Commission; modifying type of information for certain report by Tax Commission; which relate to tax exemptions and incentive payments; creating sales tax exemption for specified sales to certain web search portals and defining term; modifying investment tax credit to include qualified web search portal; clarifying and restating language; modifying definition to include specified industry; modifying, clarifying and adding new definitions relating to Quality Jobs Program Act; authorizing designees to act as members of certain Committee; permitting an establishment to apply for effective date for incentive payments to begin; modifying requirements for establishment to receive incentive payments; deleting certain requirements relating to the location of an establishment receiving payments; modifying requirements relating to the Small Employer Quality Jobs Incentive Act; permitting an establishment to apply for effective date for incentive payments to begin; prohibiting first claim for incentive payments filed after specified time period; providing for codification; providing an effective date; and declaring an emergency.