

STATE OF OKLAHOMA

1st Session of the 50th Legislature (2005)

HOUSE BILL 1382

By: Brown

AS INTRODUCED

An Act relating to revenue and taxation; providing tax credit for purchase or construction of dry fire hydrants; limiting amount of credit; providing qualifications for dry fire hydrants; prohibiting credit from exceeding tax liability; providing for carryover of credit; requiring promulgation of rules; defining term; 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 2357.101 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For taxable years beginning after December 31, 2005, there shall be allowed a credit against the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes for the cost of the purchase of a dry fire hydrant or the cost to provide an acceptable means of water storage for such dry fire hydrant including a pond, tank, or other storage facility with the primary purpose of fire protection within the State of Oklahoma. The credit shall be equal to fifty percent (50%) of the purchase price of the dry fire hydrant or the actual expenditure for any new water storage construction, equipment, development and installation of the dry hydrant, including pipes, valves, hydrants, and labor for each installation of a dry hydrant or new water storage facility but in no event shall the amount of the credit exceed Five Thousand Dollars (\$5,000.00) for each taxpayer.

B. In order to qualify for the tax credit provided for in subsection A of this section, the dry fire hydrant or new water storage facility must meet the following minimum requirements:

1. Each body of water or water storage structure must be able to provide two hundred fifty (250) gallons per minute for a continuous two-hour period during a fifty-year drought or freeze at a vertical lift of eighteen (18) feet;

2. Each dry fire hydrant must be located within twenty-five (25) feet of an all-weather roadway and must be accessible to fire protection equipment; and

3. Dry fire hydrants shall be located a reasonable distance from other dry or pressurized hydrants.

C. In no event shall the amount of the credit exceed the amount of any tax liability of the taxpayer.

D. Any credits allowed but not used in any tax year may be carried over, in order, to each of the four (4) years following the year of qualification.

E. The Oklahoma Tax Commission and the State Fire Marshal Commission shall promulgate rules to establish the requirements for the construction of a dry fire hydrant or new water storage facility and permit verification of eligibility of a dry fire hydrant or new water storage facility for the credit provided for in subsection A of this section.

F. As used in this section, "dry fire hydrant" means nonpressurized pipes permanently installed in lakes, farm ponds, and streams that provide a ready means of drawing water.

SECTION 2. This act shall become effective January 1, 2006.

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